PROCEEDINGS OF THE COMMON COUNCIL
IN REGULAR SESSION
TUESDAY, JULY 8 1980

CITY OF FORT WAYNE, INDIANA
JOURNAL OF THE PROCEEDINGS
OF THE COMMON COUNCIL

THE COMMON COUNCIL OF THE CITY OF FORT WAYNE MET IN THE COUNCIL CHAMBERS Tuesday EVENING July 8 A.D., 19 80, IN Regular SESSION. PRESIDENT Vivian G. Schmidt IN THE CHAIR, AND Charles W. Westerman CLERK, AT THE DESK, PRESENT THE FOLLOWING MEMBERS _____ VIZ:

BURNS ✓, EISBART ✓, GiaQUINTA ✓,
NUCKOLS ✓, SCHMIDT, D. ✓, SCHMIDT, V. ✓,
SCHOMBURG ✓, STIER ✓, TALARICO ✓,

ABSENT _____

COUNCILMAN _____, _____, _____,
_____, _____, _____,

THE INVOCATION WAS GIVEN BY Reverend John Woodruff - Calvary United Methodist Church

RECEIVED REPORT FROM THE CITY CONTROLLER FOR THE MONTH OF _____, 19____. MOTION MADE AND CARRIED THAT REPORT BE MADE A MATTER OF RECORD AND PLACED ON FILE.

THE MINUTES OF THE LAST REGULAR June 24, 19 80,
_____, 19___,
SPECIAL _____, 19___,
SESSION HAVING BEEN DELIVERED TO THE COUNCIL, WERE, ON MOTION, APPROVED AND PUBLISHED.

CALL, CONSENT AND WAIVER OF NOTICE OF A SPECIAL
MEETING OF THE COMMON COUNCIL OF THE CITY OF
FORT WAYNE, INDIANA, TO BE HELD
SUNDAY, JULY 13, 1980, 10:30 A.M.,
COMMON COUNCIL CHAMBERS ROOM 126

We, the undersigned, being all of the members of the Common Council of the City of Fort Wayne, Indiana do hereby call a special meeting of said Council to be held on Sunday, July 13, 1980 at 10:30 o'clock A.M., E.S.T. and jointly and severally waive notice of the time, place and purpose of said meeting and consent that same be held on the aforesaid date for the purpose of honoring our Sister City Takaoka, Japan, in a resolution.

Vivian G. Schmidt

John Nuckols

Roy A. Cabot

O. D. Schmidt

Ray J. Thomas

Jim Stier

Samuel J. Talarico

Mark E. Giaquinta

DATED THIS

Charles W. Westerman
CHARLES W. WESTERMAN
CITY CLERK

DATE MADE A MATTER OF RECORD
CHARLES W. WESTERMAN, CITY CLERK

CALL, CONSENT AND WAIVER OF NOTICE OF A SPECIAL
MEETING OF THE COMMON COUNCIL OF THE CITY OF
FORT WAYNE, INDIANA, TO BE HELD
TUESDAY, JULY 15, 1980, 7:00 O'CLOCK P.M.
COMMON COUNCIL CHAMBERS ROOM 126

We, the undersigned, being all of the members of the Common Council of the City of Fort Wayne, Indiana do hereby call a special meeting of said Council to be held on Tuesday, July 15, 1980 at 7:00 o'clock P.M., E.S.T. and jointly and severally waive notice of the time, place and purpose of said meeting and consent that same be held on the aforesaid date for the purpose of introducing the 1981 Salary Ordinance.

Mark E. Giaquinta

Jim Stier

Ray J. Schomburg

Paul Schmidt

Fay Schulz

John Nuckols

Paul M. Burns

Samuel J. Talarico

Vivian G. Schmidt

DATED THIS

DATE MADE A MATTER OF RECORD
CHARLES W. WESTERMAN, CITY CLERK

Charles W. Westerman
CHARLES W. WESTERMAN
CITY CLERK

THE CITY OF FORT WAYNE

CITY-COUNTY BUILDING • ONE MAIN STREET • FORT WAYNE, INDIANA 46802

office of the mayor

MADE A MATTER OF RECORD
DATE _____
CHARLES W. WESTERMAN, CITY CLERK

July 2, 1980

To the Common Council
Gentlemen and Mrs. Schmidt:

Today, July 2, 1980, I have approved the following ordinances passed by the Common Council at its regular meeting of June 24, 1980.

(Bill No. S-80-05-21)
SPECIAL ORDINANCE NO. S-62-80

AN ORDINANCE approving a contract between the City of Fort Wayne and GT&E Data Services Corporation for fire protection to premises outside the City

(Bill No. S-80-05-22)
SPECIAL ORDINANCE NO. S-63-80

AN ORDINANCE approving a contract between the City of Fort Wayne and International Harvester Company for Fire protection to premises outside the City

(Bill No. G-80-05-24)
(as amended) (as amended)
GENERAL ORDINANCE NO. G-10-80
(as amended)

AN ORDINANCE GOVERNING THE LETTING OF CONTRACTS AND REQUIRING COUNCIL-MANIC APPROVAL OR RATIFICATION OF CERTAIN CONTRACTS

(Bill No. R-80-05-23)
RESOLUTION ON. R-52-80

A RESOLUTION authorizing payment for repair to certain damaged vehicle owned by the City of Fort Wayne, Indiana

(Bill No. R-80-06-08)
RESOLUTION NO. R-53-80

A RESOLUTION authorizing payment to various agencies for repair of various

vehicles

(Bill No. R-80-06-09)
RESOLUTION NO. R-54-80

A RESOLUTION authorizing payment to various agencies for repair of various vehicles

(Bill No. Z-80-03-26)
ZONING MAP ORDINANCE NO. Z-19-80

AN ORDINANCE amending the City of Fort Wayne Zoning Map No. U-18

(Bill No. R-80-06-20)
RESOLUTION NO. R-55-80

A Resolution of the Common Council of the City of Fort Wayne, Indiana, pertaining to LEster L. Grile

(Bill No. S-80-02-07)
SPECIAL ORDINANCE NO. S-64-80

An Ordinance amending the City of Fort Wayne Master Plan by abandoning and vacating the alley lying between Clinton Street and Clinton Court from Darrow Street south to the south line of Lots six (6) and sixty-one (61) in Dreibelbiss Addition to the City of Fort Wayne, Indiana

(Bill No. S-80-05-28)
SPECIAL ORDINANCE NO. S-65-80

AN ORDINANCE approving a contract for Street Improvement Resolution No. 5865-80 between the City of Fort Wayne, Indiana and John Dehner, Inc. for repair of damaged concrete pavement

(Bill No. S-80-05-29)
SPECIAL ORDINANCE NO. S-66-80

AN ORDINANCE approving a contract for Street Lighting Improvement Resolution No. 140-80, between the City of Fort Wayne, Indiana and N.G. Gilbert Corporation, Contractor for installation of street lighting in Northwest Central Phase IV Impact Area

(Bill No. S-80-05-30)
SPECIAL ORDINANCE NO. S-67-80

AN ORDINANCE approving Change Order No. 8 Contract No. 77-W-2. in connection with the Filtration Plant Addition

(Bill No. S-80-05-31)
SPECIAL ORDINANCE NO. S-68-80

AN ORDINANCE approving Change Order No. 7 Contract No. 77-W-2, in connection with the Filtration Plant Addition

Respectfully yours,

Win Moses, Jr.
Mayor

THE CITY OF FORT WAYNE

CITY-COUNTY BUILDING • ONE MAIN STREET • FORT WAYNE, INDIANA 46802

city plan commission

24 June 1980

COMMUNICATIONS FROM THE CITY PLAN COMMISSION

The Common Council of the
City of Fort Wayne
City-County Building
One Main Street
Fort Wayne, IN 46802

Gentlemen and Mrs. Schmidt:

Attached hereto is the recommendation of the City Plan Commission on one (1) ordinance concerning the amendment of the Zoning Ordinance (General Ordinance No. G-06-80, amending Chapter 33 of the Municipal Code of the City of Fort Wayne, Indiana, 1946). The proposed ordinance is designated as:

BILL NO. Z-80-05-25

Respectfully submitted,

CITY PLAN COMMISSION

Certified and signed this
24th day of June 1980.

W. Joyce Schlatter

Joyce Schlatter
Secretary

80

MADE A MATTER OF RECORD
DATE_____ CHARLES W. WESTERMAN, CITY CLERK

THE CITY OF FORT WAYNE

CITY-COUNTY BUILDING • ONE MAIN STREET • FORT WAYNE, INDIANA 46802

city plan commission

June 24, 1980

Members of the Common Council
City-County Building
One Main Street
Fort Wayne, IN 46802

Gentlemen and Mrs. Schmidt:

Attached hereto is a copy of a resolution pertaining to one (1) zoning ordinance amendment acted upon by the City Plan Commission at their regular meeting held June 23, 1980. In addition to the reasons outlined in the resolution, the following are additional remarks pertaining to the ordinance involved.

1. Bill No. Z-80-05-25

2. From: M-2 to M-3

3. Intended Use: Junk car dismantiling.

4. Plan Commission Recommendation: DO NOT PASS

   This ordinance received a DO NOT PASS recommendation for the following reason:

   a. This request would have an adverse effect on surrounding land uses.

If there are any questions with regard to this ordinance, please feel free to call on us.

Respectfully submitted,

COMMUNITY DEVELOPMENT AND PLANNING

Gary F. Baeten (pb)

Gary F. Baeten
Senior Planner

GFB:pb

Attachments

RESOLUTION OF ZONING ORDINANCE AMENDMENT RECOMMENDATION

WHEREAS, the Common Council of the City of Fort Wayne, Indiana, on May 27, 1980, referred a proposed zoning map amendment to the City Plan Commission which proposed ordinance was designated as Bill No. Z-80-05-25; and,

WHEREAS, the required notice of public hearing on such proposed ordinance has been published as required by law; and,

WHEREAS, the City Plan Commission conducted a public hearing on such proposed ordinance on June 16, 1980;

NOW THEREFORE, BE IT RESOLVED that the City Plan Commission does hereby recommend that such proposed ordinance DO NOT PASS for the reasons that no need has been shown for the Land Use Plan to be amended, the amendment will not be in the best interest of and benefit to the area involved and of and to the City, and the amendment will be detrimental to and conflicts with the overall City Plan; and,

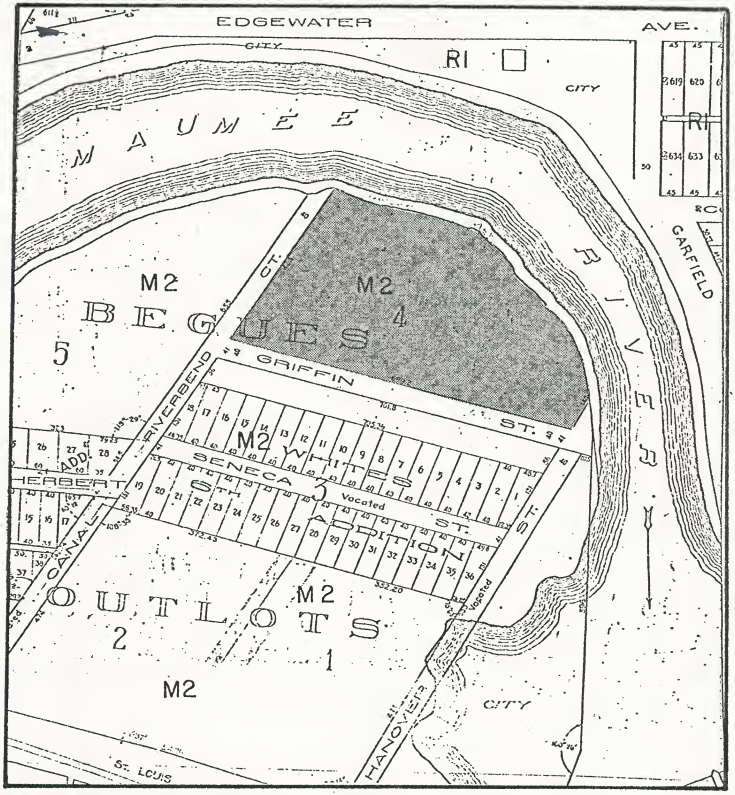
BE IT FURTHER RESOLVED that the Secretary is hereby directed to present a copy of this resolution to the Common Council at its next regular meeting.

This is to certify that the above is a true and exact copy of a resolution adopted at the meeting of the Fort Wayne City Plan Commission held June 23, 1980.

Certified and signed this
24th day of June 1980.

Tu. Joyce Schlatter

Joyce Schlatter
Secretary



REQUEST TO REZONE FROM M2 TO M3 ZONING

Map No. O-10

N

Z-80-05-25

PREPARED BY RK

DATE 5-15-80

THE CITY OF FORT WAYNE

CITY-COUNTY BUILDING • ONE MAIN STREET • FORT WAYNE, INDIANA 46802

city plan commission

24 June 1980

COMMUNICATIONS FROM THE CITY PLAN COMMISSION

The Common Council of the
City of Fort Wayne
City-County Building
One Main Street
Fort Wayne, IN 46802

Gentlemen and Mrs. Schmidt:

Attached hereto is the recommendation of the City Plan Commission on one (1) ordinance concerning the amendment of the Zoning Ordinance (General Ordinance No. G-06-80, amending Chapter 33 of the Municipal Code of the City of Fort Wayne, Indiana, 1946). The proposed ordinance is designated as:

BILL NO. Z-80-05-26

Respectfully submitted,

CITY PLAN COMMISSION

Certified and signed this
24th day of June 1980.

Joyce Schlatter

Joyce Schlatter
Secretary

AN EQUAL OPPORTUNITY EMPLOYER

THE CITY OF FORT WAYNE

CITY-COUNTY BUILDING • ONE MAIN STREET • FORT WAYNE, INDIANA 46802

city plan commission

24 June 1980

Members of the Common Council
City-County Building
One Main Street
Fort Wayne, IN 46802

Gentlemen and Mrs. Schmidt:

Attached hereto is a copy of a resolution pertaining to one (1) zoning ordinance amendment acted upon by the City Plan Commission at their regular meeting held June 23, 1980. In addition to the reasons outlined in the resolution, the following are additional remarks pertaining to the ordinance involved.

1. Bill No. Z-80-05-26

2. From R-A to R-3

3. Intended Use: Insurance Office

4. Plan Commission Recommendation: DO NOT PASS

   This ordinance received a DO NOT PASS recommendation for the following reason:

   a. The Commission felt that this change in zoning would permit incompatible encroachment into a very well maintained substantial residential neighborhood.

If there are any questions with regard to this ordinance, please feel free to call on us.

Respectfully submitted,

COMMUNITY DEVELOPMENT & PLANNING

Gary F. Baeten

Gary F. Baeten
Senior Planner

GFB:pb

Attachments

RESOLUTION OF ZONING ORDINANCE AMENDMENT RECOMMENDATION

WHEREAS, the Common Council of the City of Fort Wayne, Indiana, on May 27, 1980, referred a proposed zoning map amendment to the City Plan Commission which proposed ordinance was designated as Bill No. Z-80-05-26; and,

WHEREAS, the required notice of public hearing on such proposed ordinance has been published as required by law; and,

WHEREAS, the City Plan Commission conducted a public hearing on such proposed ordinance on June 16, 1980;

NOW THEREFORE, BE IT RESOLVED that the City Plan Commission does hereby recommend that such proposed ordinance DO NOT PASS for the reasons that no need has been shown for the Land Use Plan to be amended, the amendment will not be in the best interest of and benefit to the area involved and of and to the City, and the amendment will be detrimental to and conflicts with the overall City Plan; and,

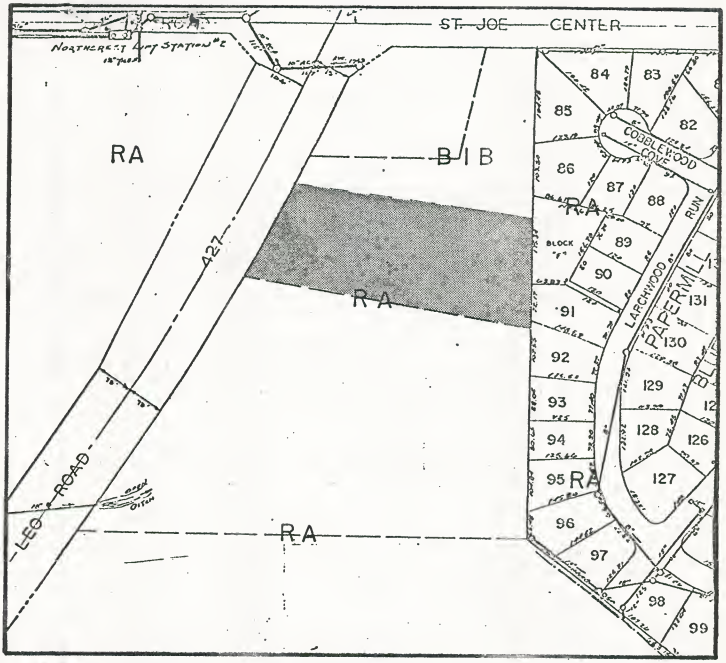
BE IT FURTHER RESOLVED that the Secretary is hereby directed to present a copy of this resolution to the Common Council at its next regular meeting.

This is to certify that the above is a true and exact copy of a resolution adopted at the meeting of the Fort Wayne City Plan Commission held June 23, 1980.

Certified and signed this
24th day of June 1980.

W. Joyce Schlatter

Joyce Schlatter
Secretary



REQUEST TO REZONE FROM RA TO R3

N

Map No. O-34

Z-80-05-26

PREPARED BY RK

DATE 5-13-80

THE CITY OF FORT WAYNE

CITY-COUNTY BUILDING • ONE MAIN STREET • FORT WAYNE, INDIANA 46802

city plan commission

24 June 1980

COMMUNICATIONS FROM THE CITY PLAN COMMISSION

The Common Council of the
City of Fort Wayne
City-County Building
One Main Street
Fort Wayne, IN 46802

Gentlemen and Mrs. Schmidt:

Attached hereto is the recommendation of the City Plan Commission on one (1) ordinance concerning the amendment of the Zoning Ordinance (General Ordinance No. G-06-80, amending Chapter 33 of the Municipal Code of the City of Fort Wayne, Indiana, 1946). The proposed ordinance is designated as:

BILL NO. Z-80-02-08

Respectfully submitted,

CITY PLAN COMMISSION

Certified and signed this
24th day of June 1980.

Joyce Schlatter

Joyce Schlatter
Secretary

AN EQUAL OPPORTUNITY EMPLOYER

THE CITY OF FORT WAYNE

CITY-COUNTY BUILDING • ONE MAIN STREET • FORT WAYNE, INDIANA 46802

city plan commission

24 June 1980

Members of the Common Council
City-County Building
One Main Street
Fort Wayne, IN 46802

Gentlemen and Mrs. Schmidt:

Attached hereto is a resolution pertaining to a zoning ordinance amendment acted upon by the City Plan Commission at their meeting held June 23, 1980. In addition to the reasons outlined in the resolution, the following are additional remarks pertaining to the ordinance:

1. Bill No. Z-80-02-08

2. From R-B to M-1

3. Intended Use: Mini-Warehousing

4. Plan Commission Recommendation: DO PASS with conditions.

   CONDITIONS:

   a. The access be a minimum of 600 feet south of Winchester Road. (This condition was amended to read as follows: The center of the access will be a minimum of 500 feet south of the center of the Winchester Road-Bluffton Road intersection. This amendment was made and passed at the June 23, 1980 Plan Commission meeting.)

   b. The petitioner is required to rezone the property to the appropriate designation for mini-warehousing when the Zoning Ordinance is amended.

   c. A landscape screen be installed along Bluffton Road.

   d. The natural screening along the Fairfield Ditch is not to be removed but maintained.

NOTE: Attached is a letter from the petitioner complying with the above conditions.

If there are any questions with regard to this ordinance, please feel free to call on us.

Respectfully submitted,

COMMUNITY DEVELOPMENT AND PLANNING

Gary F. Baeten (pb)

Gary F. Baeten
Senior Planner

GFB:pb

Attachments

RESOLUTION OF ZONING ORDINANCE AMENDMENT RECOMMENDATION

WHEREAS, the Common Council of the City of Fort Wayne, Indiana, on February 12, 1980, referred a proposed zoning map amendment to the City Plan Commission which proposed ordinance was designated as Bill No. Z-80-02-08; and,

WHEREAS, the required notice of public hearing on such proposed ordinance has been published as required by law; and,

WHEREAS, the City Plan Commission conducted a public hearing on such proposed ordinance on March 17, 1980;

NOW THEREFORE, BE IT RESOLVED that the City Plan Commission does hereby recommend that such proposed ordinance DO PASS for the reasons that a need has been shown for the Land Use Plan to be amended, the amendment will be in the best interest of and benefit to the area involved and of and to the City, and the amendment will not be detrimental to and does not conflict with the overall City Plan;

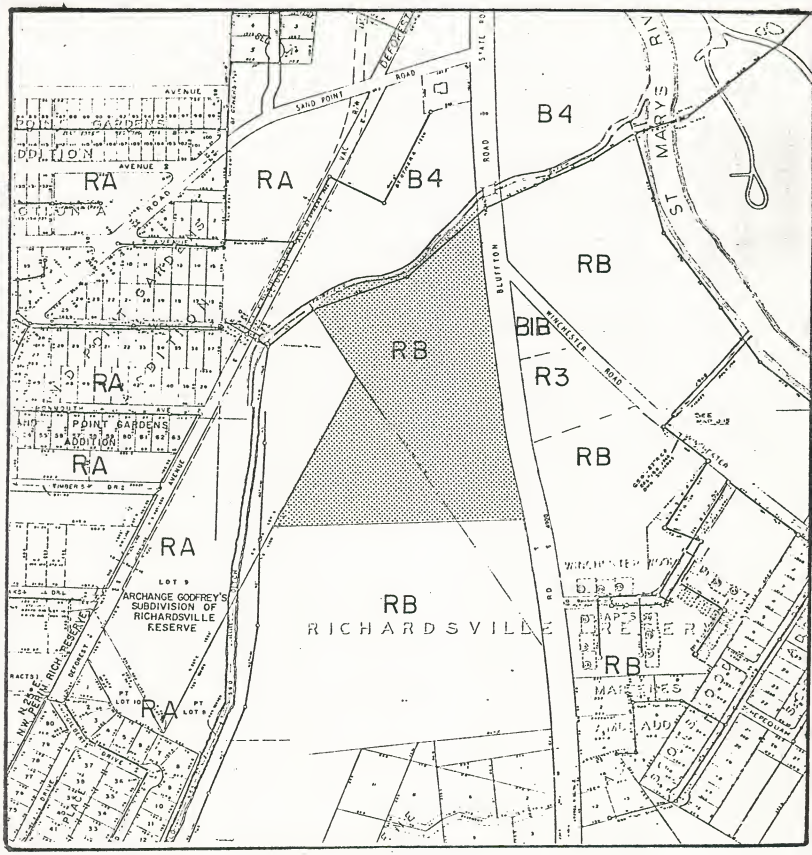
BE IT FURTHER RESOLVED that the Secretary is hereby directed to present a copy of this resolution to the Common Council at its next regular meeting.

This is to certify that the above is a true and exact copu of a resolution adopted at the meeting of the Fort Wayne City Plan Commission held April 28, 1980.

Certified and signed this
24th day of June 1980.

Joyce Schlatter

Joyce Schlatter
Secretary



REQUEST TO CHANGE FROM RB TO MI ZONING

Map No. J-15 & J-19

N

Z-80-02-08

PREPARED BY R.K.

DATE 1-22-80

LAW OFFICES

PEEBLES, THOMPSON, ROGERS & HAMILTON

201 COMMERCE BUILDING

FORT WAYNE, INDIANA 46802

C. DAVID PEEBLES
ROBERT L. THOMPSON
F. JOHN ROGERS
KENNETH F. HAMILTON
JOHN C. KORYL

AREA CODE 219
TELEPHONE 743-0374

June 23, 1980

City Plan Commission
City-County Building
Fort Wayne, Indiana 46802

Re: 17.204 Acres in Lots 1 & 8 in Archange Godfrey's Subdivision of Richardsville Reserve

Gentlemen:

This is in response to your letter of April 30, 1980 and constitutes the letter of intent referred to therein.

Although Mr. Jack W. Lawson is now handling this matter, I am still attorney for Mr. Rice, and have authority to execute this letter of intent.

It is my understanding that Mr. Lawson will be asking a reconsideration of this matter at your meeting this evening, in accordance with the recommendations of Mr. Walter Stout of the City Traffic Engineering Department, a copy of which recommendation is attached hereto and made a part hereof.

In accordance with the request in your letter of April 30, 1980 and the recommendation of Mr. Stout, this will confirm our agreement to the following:

1. The center of the access will be a minimum of five hundred (500) feet South of the center of the Winchester Road-Bluffton Road intersection.

2. We agree to rezone the property to the appropriate designation for mini-warehousing when the Zoning Ordinance is amended.

3. A landscape screen shall be installed along Bluffton Road.

4. The natural screening along the Fairfield Ditch will not be removed, but will be maintained.

We feel that the access as provided in the recommendation of Mr. Stout dated June 2, 1980 will provide a more balanced access to this property and will insure a safer traffic flow, in that a better acceleration/deceleration lane can be provided within

the boundaries of this property.

Please let me also express my appreciation for the time and consideration given to this matter.

Thank you very much.

Yours very truly,

David Peebles
DP/mh

To Gary Baeten - City Plan Date June 2, 1980

From Walt Stout - Traffic Engineering

Subject Proposed Mini Warehouse (Commercial Development) - 4800 Blk. Bluffton Rd.

COPIES TO.

arl O'Neal
larvey Woodring
ike Trevino
lack Lawson ✓

Please be advised Mr. Woodring, Mr. Trevino, Mr. Dave Peebles, Mr. Jack Lawson, and myself met on May 29, 1980, to discuss the proposed access location for the development of the above property. After reviewing the proposed plans and being enlightened on the actual boundaries of the property in question, it is our opinion that one access point to serve the entire partial of property involved would be acceptable if located about 500 feet south of the Winchester Rd. intersection.

The final geometric design can be determined at a later date. This would include deceleration, recovery, and passing lanes with a design speed of 40 mph and to conform with the Access Standards Manual. If you have any further questions, please feel free to contact me.

WALT

Walt

WS/11

THE CITY OF FORT WAYNE

CITY-COUNTY BUILDING • ONE MAIN STREET • FORT WAYNE, INDIANA 46802

city plan commission

24 June 1980

COMMUNICATIONS FROM THE CITY PLAN COMMISSION

The Common Council of the
City of Fort Wayne
City-County Building
One Main Street
Fort Wayne, IN 46802

Gentlemen and Mrs. Schmidt:

Attached hereto is the recommendation of the City Plan Commission on one (1) ordinance concerning the amendment of the Zoning Ordinance (General Ordinance No. G-06-80, amending Chapter 33 of the Municipal Code of the City of Fort Wayne, Indiana, 1946). The proposed ordinance is designated as:

BILL NO. Z-80-05-27

Respectfully submitted,

CITY PLAN COMMISSION

Certified and signed this
24th day of June 1980.

Joyce Schlatter

Joyce Schlatter
Secretary

AN EQUAL OPPORTUNITY EMPLOYER

THE CITY OF FORT WAYNE

CITY-COUNTY BUILDING • ONE MAIN STREET • FORT WAYNE, INDIANA 46802

city plan commission

24 June 1980

Members of the Common Council
City-County Building
One Main Street
Fort Wayne, IN 46802

Gentlemen and Mrs. Schmidt:

Attached hereto is a copy of a resolution pertaining to one (1) zoning ordinance amendment acted upon by the City Plan Commission at their regular meeting held June 23, 1980. In addition to the reasons outlined in the resolution, the following are additional remarks pertaining to the ordinance involved.

1. Bill No. Z-80-05-27

2. From R-A to B-1-B

3. Intended Use: No intended use given.

4. Plan Commission Recommendation: DO NOT PASS

   This ordinance received a DO NOT PASS recommendation for the following reasons:

   a. The use of the land east of Bauer Avenye is residential.

   b. There is ample undeveloped commercial land in the northwest quadrant of Bauer and Tillman Road.

If there are any questions with regard to this ordinance, please feel free to call on us.

Respectfully submitted,

COMMUNITY DEVELOPMENT AND PLANNING

Gary F. Baeten (pb)

Gary F. Baeten
Senior Planner

GFB:pb

Attachments

RESOLUTION OF ZONING ORDINANCE AMENDMENT RECOMMENDATION

WHEREAS, the Common Council of the City of Fort Wayne, Indiana, on May 27, 1980, referred a proposed zoning map amendment to the City Plan Commission which proposed ordinance was designated as Bill No. Z-80-05-27; and,

WHEREAS, the required notice of public hearing on such proposed ordinance has been published as required by law; and,

WHEREAS, the City Plan Commission conducted a public hearing on such proposed ordinance on June 16, 1980;

NOW THEREFORE, BE IT RESOLVED that the City Plan Commission does hereby recommend that such proposed ordinance DO NOT PASS for the reasons that no need has been shown for the Land Use Plan to be amended, the amendment will not be in the best interest of and benefit to the area involved and of and to the City, and the amendment will be detrimental to and conflicts with the overall City Plan; and,

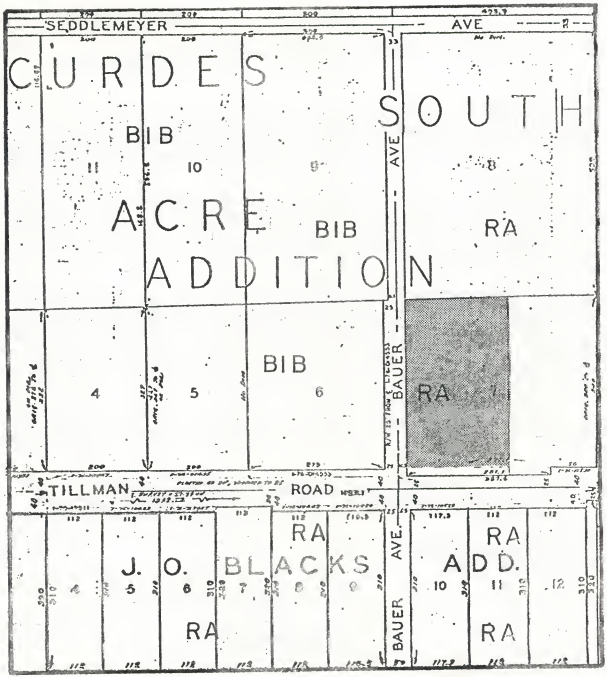
BE IT FURTHER RESOLVED that the Secretary is hereby directed to present a copy of this resolution to the Common Council at its next regular meeting.

This is to certify that the above is a true and exact copy of a resolution adopted at the meeting of the Fort Wayne City Plan Commission held June 23, 1980.

Certified and signed this
24th day of June 1980.

Joyce Schlatter

Joyce Schlatter
Secretary



REQUEST TO REZONE FROM RA TO BIB

Map No P-27

Z-80-05-27

N

PREPARED BY RK

DATE 5-13-80

THE CITY OF FORT WAYNE

CITY-COUNTY BUILDING • ONE MAIN STREET • FORT WAYNE, INDIANA 46802

city plan commission

24 June 1980

COMMUNICATIONS FROM THE CITY PLAN COMMISSION

The Common Council of the
City of Fort Wayne
City-County Building
One Main Street
Fort Wayne, IN 46802

Gentlemen and Mrs. Schmidt:

Attached hereto is the recommendation of the City Plan Commission on one (1) ordinance concerning the amendment of the Zoning Ordinance (General Ordinance No. G-06-80, amending Chapter 33 of the Municipal Code of the City of Fort Wayne, Indiana, 1946). The proposed ordinance is designated as:

BILL NO. Z-80-04-23

Respectfully submitted,

CITY PLAN COMMISSION

Certified and signed this
24th day of June 1980.

Joyce Schlatter

Joyce Schlatter
Secretary

THE CITY OF FORT WAYNE

CITY-COUNTY BUILDING • ONE MAIN STREET • FORT WAYNE, INDIANA 46802

city plan commission

24 June 1980

Members of the Common Council
City-County Building
One Main Street
Fort Wayne, IN 46802

Gentlemen and Mrs. Schmidt:

Attached hereto is a copy of a resolution pertaining to one (1) zoning ordinance amendment acted upon by the City Plan Commission at their regular meeting held June 23, 1980. In addition to the reasons outlined in the resolution, the following are additional remarks pertaining to the ordinance involved.

1. Bill No. Z-80-04-23

2. From R-1 to R-2

3. Intended Use: Duplex

4. Plan Commission Recommendation: DO NOT PASS

   This ordinance received a DO NOT PASS recommendation for the following reason:

   a. The property which is requested to be rezoned to an R-2 is in a block of St. Mary's Avenue which is solely single family. Both the requested zoning and anticipated duplex use of the property, are incompatible with the present character of the neighborhood.

If there are any questions with regard to this ordinance, please feel free to call on us.

Respectfully submitted,

COMMUNITY DEVELOPMENT AND PLANNING

Gary F. Baeten pb

Gary F. Baeten
Senior Planner

GFB:pb

Attachments

RESOLUTION OF ZONING ORDINANCE AMENDMENT RECOMMENDATION

WHEREAS, the Common Council of the City of Fort Wayne, Indiana, on April 22, 1980, referred a proposed zoning map amendment to the City Plan Commission which proposed ordiance was designated as Bill No. Z-80-04-23; and,

WHEREAS, the required notice of public hearing on such proposed ordinance has been published as required by law; and,

WHEREAS, the City Plan Commission conducted a public hearing on such proposed ordinance on June 16, 1980;

NOW THEREFORE, BE IT RESOLVED that the City Plan Commission does hereby recommend that such proposed ordinance DO NOT PASS for the reasons that no nedd has been shown for the Land Use Plan to be amended, the amendment will not be in the best interest of and benefit to the area involved and of and to the City, and the amendment will be detrimental to and conflict with the overall City Plan; and,

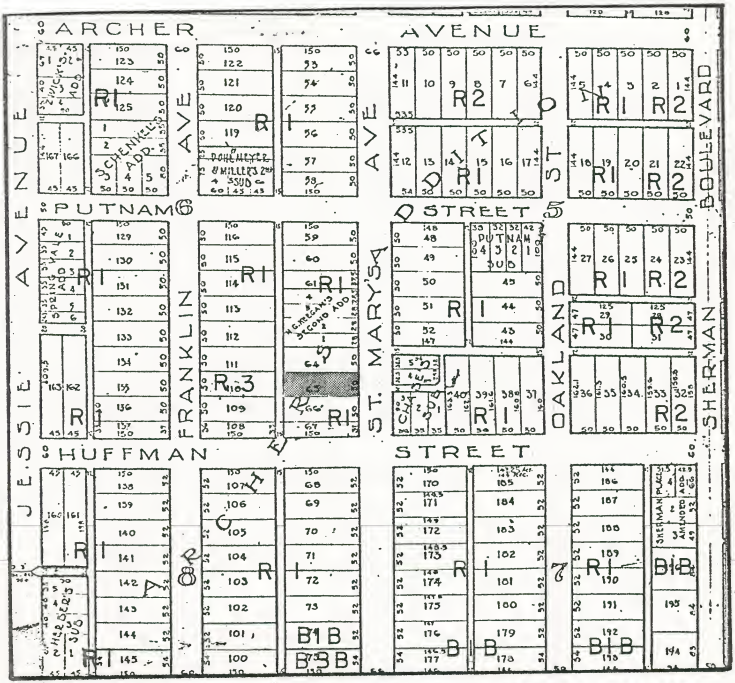
BE IT FURTHER RESOLVED that the Secretary is hereby directed to present a copy of this resolution to the Common Council at its next regular meeting.

This is to certify that the above is a true and exact copy of a resolution adopted at the meeting of the Fort Wayne City Plan Commission held June 23, 1980.

Certified and signed this
24th day of June 1980.

Joyce Schlatter

Joyce Schlatter
Secretary



REQUEST TO REZONE FROM R-1 TO R-2 ZONING

Map No. K-14

N

Z-80-04-23

PREPARED BY RK

DATE 4-3-80

THE CITY OF FORT WAYNE

CITY-COUNTY BUILDING • ONE MAIN STREET • FORT WAYNE, INDIANA 46802

city plan commission

2 July 1980

COMMUNICATIONS FROM THE CITY PLAN COMMISSION

The Common Council of the
City of Fort Wayne
City-County Building
One Main Street
Fort Wayne, IN 46802

Gentlemen and Mrs. Schmidt:

Attached hereto is the recommendation of the City Plan Commission on an amendment to the Zoning Ordinance (General Ordinance No. G-06-80, amending Chapter 33 of the Municipal Code of the City of Fort Wayne, Indiana, 1946.) The proposed ordinance is designated as:

Bill No. G-80-05-13

Respectfully submitted,

CITY PLAN COMMISSION

Certified and signed this
2nd day of July 1980.

Joyce Schlatter
Secretary

AN EQUAL OPPORTUNITY EMPLOYER

THE CITY OF FORT WAYNE

CITY-COUNTY BUILDING • ONE MAIN STREET • FORT WAYNE, INDIANA 46802

city plan commission

2 July 1980

Members of the Common Council
City of Fort Wayne
One Main Street
Fort Wayne, IN 46802

Gentlemen and Mrs. Schmidt:

Attached are amendments to Bill No. G-80-05-13 (Shopping Center Ordinance). These amendments were approved by the City Plan Commission at their regular meeting held June 23, 1980 and the ordinance was given a DO PASS recommendation.

If there are any questions with regard to this ordinance, please feel free to call this office.

Respectfully submitted,

COMMUNITY DEVELOPMENT AND PLANNING

Gary F. Baeten pb

Gary F. Baeten
Senior Planner

GFB:pb

Attachment

AN EQUAL OPPORTUNITY EMPLOYER

AMENDMENTS TO THE SHOPPING CENTER ORDINANCE
APPROVED JUNE 23, 1980

1. Amend Page 3 - Section 2. Subsection (3) Sub-Districts and Permitted Uses
   Item : c. B-2B (Community Shopping Centers - (ii)

   Typographical error corrected, correction is in italics:

   (ii) A major tenant space shall not exceed a maximum of 60,000 square feet of gross floor area and not more than one major tenant shall be permitted; however, in lieu of this requirement there may be two major tenants permitted with a limit per tenant not to exceed 45,000 square feet of gross floor area. *No single tenant space other than those permitted above shall exceed 40,000 square feet gross floor area.* Building coverage shall not exceed 25% of the net site area; provided however, no B-2B shopping center shall exceed 218,000 square feet of gross floor area of enclosed space regardless of overall site size.

2. Amend page 5, Section 8, "Development Plan Submission Requirements, Sub-section "c" to read:

   c. Within <u>one (1) year</u> after approval of the preliminary plan developer shall file final plan, which shall be acted upon by the Commission within sixty (60) days after filing.

3. Amend page 7, Section 10, "Site Plan Reouirements-Final, Sub-section (xiv) by deleting this sub-section in its entirety.

4. Amend page 8, Section 12, "Construction of Improvement Under Permit" to read:

   "Revocation of Permit: Any person to whom is issued an Improvement Location Permit pursuant to Subsection (4) above, who fails to commence construction of the shopping center within thirty-six (36) months after such permit is issued or who fails to carry to completion thirty (30) percent of the total buildings as authorized by said permit within four (4) years after said permit is issued, or within two (2) years after such construction is begun, whichever is later, or has not completed at least sixty (60) percent of the total buildings within six (6) years, shall be subject to the following:"

SHOPPING CENTER ORDINANCE REVISION

Page (4) Submission Procedures and Requirements

Amend 2 to read:

2. The reclassification of real estate to a B-2 Shopping Center designation shall be processed in the same manner as any other petition for rezoning, except that the following additional data must be submitted by the petitioner as part of the petition for rezoning. The City Plan Commission staff shall use this information, in part, to prepare written comments for consideration by the Commission.

Page (4) Submission Procedures and Requirements

Amend subparagraph (iii) to read:

(iii) The effect of the shopping center on the expected trade area as well as existing and proposed population, physical growth patterns, and fiscal impact.

President of the Common Council
City of Fort Wayne, Indiana

Gentlemen:

Attached herewith are authenticated copies of the Board of Public Safety Regulatory Resolution Number: 45/80/E, 46/80/E, 47/80/D

For the purpose of enforcement, please make this communication and the attached Regulatory Resolution a matter of record and incorporate it into the minutes of the next Common Council Meeting.

Respectfully submitted,

Helen P. Brown

Helen P. Brown, Acting Chairperson
Board of Public Safety

RETURN CERTIFICATE

(Regulatory Resolution No. 45/80/E)

I hereby certify that I did this 20th day of June, 19 80 deliver to each, the City Traffic Engineer, the Chief of Police, the City Attorney, the City Clerk and the President of the Common Council of the City of Fort Wayne, Indiana respectively, a copy of the within Regulatory Resolution No. 45/80/E of the Board of Public Safety of the City of Fort Wayne, duly certified by me as Chairman of said Board, in accordance with the provisions of Section 17-4 of Chapter 17, of the Code of the City of Fort Wayne, Indiana 1974.

Helen P. Brown

XXXXXXXX, Board of Public Safety
MEMBER

REGULATORY RESOLUTION NO. 45/80/E

(Adopted June 20, 19 80)

WHEREAS, Section 17-4, Chapter 17 of the Code of the City of Fort Wayne, Indiana of 1974 authorizes the Board of Public Safety to make temporary or experimental regulations to cover special conditions; and,

WHEREAS, a special condition has arisen justifying the Temporary Experimental Regulation hereinafter ordered, with regard to RENEW & EXTEND REG. RES. 25/80/E & 26/80/E:

NO PARKING (EMERGENCY) AND STOP INTERSECTION (EMERGENCY)

: AND,

WHEREAS, the City Traffic Engineer has, by written memorandum dated June 19, 19 80, submitted to this Board his advice with regard to the regulation herein adopted, which written memorandum is on file in the office of this Board;

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF PUBLIC SAFETY OF THE CITY OF FORT WAYNE, INDIANA:

That, pursuant to the authority granted to this Board by Section 17-4 of Chapter 17 of the Code of the City of Fort Wayne, Indiana of 1974 to make temporary or experimental regulations to cover special conditions, it is hereby ordered, effective June 20, 19 80, and for a period of sixty (60) days thereafter, and when signs are erected pursuant hereto giving notice thereof, that the FOLLOWING IS ESTABLISHED:

NO PARKING (EMERGENCY)

Cochrane St. -- south side -- from Coombs St. to the West terminus

STOP INTERSECTION (EMERGENCY)

Koons St. -- stop -- for Beaty Avenue

MADE A MATTER OF RECORD

DATE_____ CHARLES W. WESTERMAN, CITY CLERK

R E T U R N C E R T I F I C A T E

(Regulatory Resolution No. 46/80/E 47/80/D)

I hereby certify that I did this 23rd day of June, 19__ deliver to each, the City Traffic Engineer, the Chief of Police, the City Attorney, the City Clerk and the President of the Common Council of the City of Fort Wayne, Indiana respectively, a copy of the within Regulatory Resolution No. 46/80/E 47/80/D of the Board of Public Safety of the City of Fort Wayne, duly certified by me as Chairman of said Board, in accordance with the provisions of Section 17-4 of Chapter 17, of the Code of the City of Fort Wayne, Indiana 1974.

Helen P. Brown

~~XXXXXXXX~~, Board of Public Safety
MEMBER

REGULATORY RESOLUTION NO. 46/80/E

(Adopted June 23, 19 80)

WHEREAS, Section 17-4, Chapter 17 of the Code of the City of Fort Wayne, Indiana of 1974 authorizes the Board of Public Safety to make temporary or experimental regulations to cover special conditions; and,

WHEREAS, a special condition has arisen justifying the Temporary Experimental Regulation hereinafter ordered, with regard to 1 HOUR PARKING 8:00 AM - 6:00 PM (EMERGENCY)

AND STOP INTERSECTION (EMERGENCY)

: AND,

WHEREAS, the City Traffic Engineer has, by written memorandum dated June 20, 19 80, submitted to this Board his advice with regard to the regulation herein adopted, which written memorandum is on file in the office of this Board;

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF PUBLIC SAFETY OF THE CITY OF FORT WAYNE, INDIANA:

That, pursuant to the authority granted to this Board by Section 17-4 of Chapter 17 of the Code of the City of Fort Wayne, Indiana of 1974 to make temporary or experimental regulations to cover special conditions, it is hereby ordered, effective June 23, 19 80, and for a period of sixty (60) days thereafter, and when signs are erected pursuant hereto giving notice thereof, that the FOLLOWING IS ESTABLISHED:

1 HOUR PARKING 8:00 AM - 6:00 PM (EMERGENCY)

Fulton St. -- both sides -- from Washington Blvd. to Jefferson St.

STOP INTERSECTION (EMERGENCY)

Pontiac St. (Eastbound) -- stop -- for Adams St. (Southbound)

REGULATORY RESOLUTION NO. 47/80/D

(Adopted June 23, 1980)

WHEREAS, Section 17-4, Chapter 17 of the Code of the City of Fort Wayne, Indiana of 1974 authorizes the Board of Public Safety to make regulations to carry out its delegated authority thereunder; and,

WHEREAS, Section 14 of said chapter delegates to this Board authority to DELETE: PREFERENTIAL INTERSECTION (DELEGATED)

; and,

WHEREAS, the City Traffic Engineer has, by written memorandum dated June 20, 1980, submitted to this Board his advice with regard to the regulation hereinafter adopted, which written memorandum is on file in the office of this Board:

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF PUBLIC SAFETY OF THE CITY OF FORT WAYNE, INDIANA

That, pursuant to the authority delegated to this Board by Section 14 of Chapter 17 of the Code of the City of Fort Wayne, Indiana of 1974, it is hereby ordered, effective June 23, 1980, and when signs are erected pursuant hereto giving notice thereof, that the FOLLOWING IS ESTABLISHED:

DELETE:

PREFERENTIAL INTERSECTION (DELEGATED)

Pontiac St. (Eastbound) -- preferential -- at Adams St. as its merging with Pontiac St. (Southbound)

President of the Common Council
City of Fort Wayne, Indiana

Gentlemen:

Attached herewith are authenticated copies of the Board of Public Safety Regulatory Resolution Number: 48/80/E
49/80/E

For the purpose of enforcement, please make this communication and the attached Regulatory Resolution a matter of record and incorporate it into the minutes of the next Common Council Meeting.

Respectfully submitted,

Helen P. Brown

Helen P. Brown, Chairwoman
Board of Public Safety

R E T U R N C E R T I F I C A T E

(Regulatory Resolution No. 48/80/E
49/80/E)

I hereby certify that I did this 26th day of June, 1980 deliver to each, the City Traffic Engineer, the Chief of Police, the City Attorney, the City Clerk and the President of the Common Council of the City of Fort Wayne, Indiana respectively, a copy of the within Regulatory Resolution No. 48/80/E
49/80/E of the Board of Public Safety of the City of Fort Wayne, duly certified by me as Chairman of said Board, in accordance with the provisions of Section 17-4 of Chapter 17, of the Code of the City of Fort Wayne, Indiana 1974.

Helen P. Brown
~~CHAIRMAN~~ MEMBER, Board of Public Safety

REGULATORY RESOLUTION NO. 48/80/E

(Adopted June 26, 19 80)

WHEREAS, Section 17-4, Chapter 17 of the Code of the City of Fort Wayne, Indiana of 1974 authorizes the Board of Public Safety to make temporary or experimental regulations to cover special conditions; and,

WHEREAS, a special condition has arisen justifying the Temporary Experimental Regulation hereinafter ordered, with regard to RENEW & EXTEND REG. RES. 28/80/E: STOP INTERSECTION (EMERGENCY)

: AND,

WHEREAS, the City Traffic Engineer has, by written memorandum dated June 24, 19 80, submitted to this Board his advice with regard to the regulation herein adopted, which written memorandum is on file in the office of this Board;

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF PUBLIC SAFETY OF THE CITY OF FORT WAYNE, INDIANA:

That, pursuant to the authority granted to this Board by Section 17-4 of Chapter 17 of the Code of the City of Fort Wayne, Indiana of 1974 to make temporary or experimental regulations to cover special conditions, it is hereby ordered, effective June 26, 19 80, and for a period of sixty (60) days thereafter, and when signs are erected pursuant hereto giving notice thereof, that the FOLLOWING IS ESTABLISHED:

STOP INTERSECTION (EMERGENCY)

Bosworth Dr. -- stop -- for Stafford Dr.

Belfast Dr. -- stop -- for Stafford Dr.

Stafford Dr. -- stop -- for Bolton Dr.

REGULATORY RESOLUTION NO. 49/80/E

(Adopted June 26, 19 80)

WHEREAS, Section 17-4, Chapter 17 of the Code of the City of Fort Wayne, Indiana of 1974 authorizes the Board of Public Safety to make temporary or experimental regulations to cover special conditions; and,

WHEREAS, a special condition has arisen justifying the Temporary Experimental Regulation hereinafter ordered, with regard to THRU STREET (EMERGENCY)

: AND,

WHEREAS, the City Traffic Engineer has, by written memorandum dated June 25, 19 80, submitted to this Board his advice with regard to the regulation herein adopted, which written memorandum is on file in the office of this Board;

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF PUBLIC SAFETY OF THE CITY OF FORT WAYNE, INDIANA:

That, pursuant to the authority granted to this Board by Section 17-4 of Chapter 17 of the Code of the City of Fort Wayne, Indiana of 1974 to make temporary or experimental regulations to cover special conditions, it is hereby ordered, effective June 26, 19 80, and for a period of sixty (60) days thereafter, and when signs are erected pursuant hereto giving notice thereof, that the FOLLOWING IS ESTABLISHED:

THRU STREET (EMERGENCY)

Harris Rd. -- from -- Coliseum Blvd. to Goshen Rd.

President of the Common Council
City of Fort Wayne, Indiana

Gentlemen:

Attached herewith are authenticated copies of the Board of Public Safety Regulatory Resolution Number: 50/80/E
51/80/D
For the purpose of enforcement, please make this communication and the attached Regulatory Resolution a matter of record and incorporate it into the minutes of the next Common Council Meeting.

Respectfully submitted,

Helen P. Brown

Helen P. Brown, Chairperson
Board of Public Safety

R E T U R N C E R T I F I C A T E

(Regulatory Resolution No. 50/80/E / 51/80/E)

I hereby certify that I did this 1st day of July, 19 80 deliver to each, the City Traffic Engineer, the Chief of Police, the City Attorney, the City Clerk and the President of the Common Council of the City of Fort Wayne, Indiana respectively, a copy of the within Regulatory Resolution No. 50/80/E / 51/80/D of the Board of Public Safety of the City of Fort Wayne, duly certified by me as Chairman of said Board, in accordance with the provisions of Section 17-4 of Chapter 17, of the Code of the City of Fort Wayne, Indiana 1974.

Helen P. Brown

~~CHAIRMAN~~, Board of Public Safety
MEMBER

REGULATORY RESOLUTION NO. 50/80/E

(Adopted July 1, 19 80)

WHEREAS, Section 17-4, Chapter 17 of the Code of the City of Fort Wayne, Indiana of 1974 authorizes the Board of Public Safety to make temporary or experimental regulations to cover special conditions; and,

WHEREAS, a special condition has arisen justifying the Temporary Experimental Regulation hereinafter ordered, with regard to NO PARKING (TEMPORARY) (EMERGENCY)

: AND,

WHEREAS, the City Traffic Engineer has, by written memorandum dated June 30, 19 80, submitted to this Board his advice with regard to the regulation herein adopted, which written memorandum is on file in the office of this Board;

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF PUBLIC SAFETY OF THE CITY OF FORT WAYNE, INDIANA:

That, pursuant to the authority granted to this Board by Section 17-4 of Chapter 17 of the Code of the City of Fort Wayne, Indiana of 1974 to make temporary or experimental regulations to cover special conditions, it is hereby ordered, effective July 1, 19 80, and for a period of sixty (60) days thereafter, and when signs are erected pursuant hereto giving notice thereof, that the FOLLOWING IS ESTABLISHED:

NO PARKING (TEMPORARY) (EMERGENCY)

Harrison St. -- west side -- from Main St. to Alley So. thereof

Harrison St. -- west side -- from Wayne St. to Alley So. thereof

REGULATORY RESOLUTION NO. 51/80/D

(Adopted July 1, 19 80)

WHEREAS, Section 17-4, Chapter 17 of the Code of the City of Fort Wayne, Indiana of 1974 authorizes the Board of Public Safety to make regulations to carry out its delegated authority thereunder; and,

WHEREAS, Section 14 of said chapter delegates to this Board authority to PREFERENTIAL INTERSECTION (DELEGATED) _____; and,

WHEREAS, the City Traffic Engineer has, by written memorandum dated June 30, 19 80, submitted to this Board his advice with regard to the regulation hereinafter adopted, which written memorandum is on file in the office of this Board:

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF PUBLIC SAFETY OF THE CITY OF FORT WAYNE, INDIANA

That, pursuant to the authority delegated to this Board by Section 14 of Chapter 17 of the Code of the City of Fort Wayne, Indiana of 1974, it is hereby ordered, effective July 1, 19 80, and when signs are erected pursuant hereto giving notice thereof, that the FOLLOWING IS ESTABLISHED:

PREFERENTIAL INTERSECTION (DELEGATED)

Lillie St. -- preferential -- at Milan St.

THE CITY OF FORT WAYNE

CITY-COUNTY BUILDING • ONE MAIN STREET • FORT WAYNE, INDIANA 46802

police department

July 7, 1980

City Council
ATTENTION: CHARLIE WESTERMAN
City Clerk
One Main St.
Ft. Wayne IN 46802

Dear Charlie,

I am enclosing a letter that our Police Department has received in regards to Police radio traffic being monitored by Citizens of Ft. Wayne. It has been noted in the minutes of the City Council in the past, different complaints involving the Ft. Wayne Police Department. If possible, could you please read the attached letter into the minutes of the next City Council Meeting, so they may see that we are a professional Police Department and are aware of public needs.

Sincerely,

Dan Gibson

Dan Gibson
P.I.O.
Fort Wayne Police Department

Copy

To the people of the Fort Wayne Police Department:

It was a real pleasure last evening to see the article on the front page of the News-Sentinel telling of the rescue of the badger. The night before, as is our custom, we were listening to our Scanner in the late night. From the first reference to the badger we were gratified by the genuine concern in the voices of all of you and happily impressed by all those things you did that culminated in his removal to a safe and natural environment.

Night after night as we tune in our Scanner during late hours we are aware and appreciative of this attitude of real concern on the police channels for whoever and whatever is in need of assistance. We thank you.

Sincerely,

The Piepenbrink

The C. H. Piepenbrink Family

MADE A MATTER OF RECORD

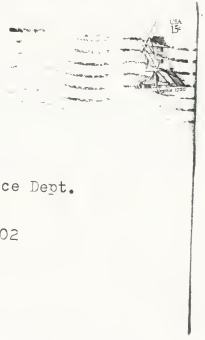
DATE_____CHARLES W. WESTERMAN, CITY CLERK

620 Lyell Court
Fort Wayne, In. 46825

July 1, 1980

RECEIVED
JUL 02 1980
CHIEF OF POLICE
F.W.P.D.

620 Lyell Ct.
Fort Wayne, In. 46825



The Fort Wayne Police Dept.
City-County Bldg.
1 Main St.
Fort Wayne, In. 46802

THE COUNCIL THEN ADJOURNED.

CERTIFICATE

I hereby certify that I am the duly elected, acting and incumbent City Clerk of the City of Fort Wayne, Indiana and as such the custodian of the records of the Common Council of said City and that the above and foregoing is the true, full and complete record of the proceedings of the Common Council of the City of Fort Wayne, Indiana for its Regular Session, held on Tuesday the 8th day of July, 19 80 that the numbered ordinances and resolutions shown therein were duly adopted by said Common Council on said date and were presented by me to the Mayor of the City of Fort Wayne and were signed and approved or disapproved by said Mayor as and on the dates shown as to each such ordinance and resolution respectively; and that all such records, proceedings, ordinances and resolutions remain on file and record in my office.

WITNESS my hand and the official seal of the City of Fort Wayne, Indiana, this _____ day of _____, 19_____.

_____
Charles W. Westerman
City Clerk

TRUST INDENTURE

BETWEEN

THE CITY OF FORT WAYNE, INDIANA

AND

TRUSTEE

****

SECURING:

$8,452,000

ECONOMIC DEVELOPMENT REVENUE NOTES

(BRIGHTON MEADOWS PROJECT)

OF

THE CITY OF FORT WAYNE, INDIANA

****

DATED AS OF:

July 1, 1980

THIS INSTRUMENT ALSO CONSTITUTES A SECURITY AGREEMENT UNDER THE INDIANA UNIFORM COMMERCIAL CODE.

This instrument prepared by:

Ronal R. Newbanks
PECK, SHAFFER & WILLIAMS
First National Bank Building
Cincinnati, Ohio 45202

TRUST INDENTURE

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T R U S T I N D E N T U R E

THIS TRUST INDENTURE (hereinafter called the "Indenture") dated as of the first day of July 1980, by and between THE CITY OF FORT WAYNE, INDIANA, a municipal corporation organized and existing under the Constitution and laws of the State of Indiana (the "Issuer"), and _____, a national banking association organized and existing under and by virtue of the laws of the United States of America and duly authorized to exercise corporate trust powers under the laws of the State (herein sometimes referred to as the "Trustee"), as Trustee;

W I T N E S S E T H :

WHEREAS, upon recommendation of the Fort Wayne Economic Development Commission, the Common Council of the City of Fort Wayne has, by the adoption of an ordinance, determined to issue its Economic Development Revenue Notes (Brighton Meadows Project) in the principal amount of $8,452,000 (hereinafter sometimes referred to as the "Project Notes"); and

WHEREAS, the Issuer has caused all actions to be taken which are required by Sections 18-6-4.5-1 to 18-6-4.5-30, inclusive, of the Indiana Code of 1971, as supplemented and amended, for the authorization, issuance and sale of the Project Notes; and

WHEREAS, the text of the Project Notes, and the Trustee's certificate of authentication to be endorsed thereon, and other provisions to be included therein are all to be in substantially the following form, with necessary and appropriate variations, omissions and insertions as permitted or required by this Indenture, to wit:

(Form of Project Note)

CITY OF FORT WAYNE
ECONOMIC DEVELOPMENT REVENUE NOTE

(BRIGHTON MEADOWS PROJECT)

No. ___ $5,000

KNOW ALL MEN BY THESE PRESENTS, that the City of Fort Wayne, Indiana (hereinafter sometimes called the "Issuer"), a municipal corporation organized and existing under the constitution and laws of the State of Indiana in the County of Allen, State of Indiana, for value received, promises to pay to the bearer, or if this Note be registered (other than to bearer) to the registered holder hereof, but solely from the sources and in the manner hereinafter provided, the principal sum of

FIVE THOUSAND DOLLARS

on the first day of January 1983 or earlier in accordance with the terms of the Agreement referred to herein, and to pay from said sources interest thereon from the date hereof at the rate of seven and nine-tenths per centum (7-9/10%) per annum, payable semiannually on the first days of January and July in each year, commencing January 1, 1981, as evidenced by the coupons hereto attached, until payment of such principal sum has been made or provided for, subject to the provisions hereinafter mentioned with respect to redemption prior to maturity. Such principal and interest are payable in lawful money of the United States of America, without deduction for the services of the paying agent, at the corporate trust office of the Trustee,
initially _____,
upon presentation and surrender of this Note and the coupons attached hereto as they respectively mature.

This Note is one of a duly authorized issue of Economic Development Revenue Notes (Brighton Meadows Project) issuable under the hereinafter described Indenture in the principal amount of Eight Million Four Hundred Fifty Two Thousand Dollars ($8,452,000) (hereinafter referred to as the "Project Notes") for the purpose of making a loan to assist Brighton Meadows (the "Company") in the financing of costs of acquiring, constructing and equipping certain real estate,

interests in real estate, buildings, equipment and personal property in connection therewith (such real estate, interests in real estate, buildings, equipment and personal property being hereinafter called the "Project"), and paying expenses incidental thereto, so as to increase employment and promote the diversification of commerce in and near the City of Fort Wayne, Indiana.

The proceeds of the Project Notes will be loaned to the Company pursuant to a Supplemental Loan Agreement, dated as of July 1, 1980, (hereinafter, as the same may be amended according to its terms, referred to as the "Agreement"), and the loan made pursuant to the Agreement is hereinafter referred to as the "Loan"), duly made and entered into between the Issuer and the Company.

Pursuant to the Agreement, in order to provide moneys, and to evidence its obligation to repay the Loan, the Company has executed and delivered directly to the Trustee its unconditional Promissory Note in the principal amount of $7,775,800, which Note is to be endorsed for insurance upon advances made to the Company by the Federal Housing Administration (hereinafter "FHA") pursuant to the provisions of Section 221(d)(4) of the National Housing Act of 1934, as amended (hereinafter referred to as the "FHA Note"). The general partners of the Company have also executed and delivered to the Trustee an unconditional Supplemental Promissory Note (the "Supplemental Note") in the principal amount of $676,200, which amount is the difference between the aforedescribed Promissory Note (which is to be insured by FHA) and the Loan. The Supplemental Note has interest rates, payment and prepayment provisions corresponding to comparable provisons of the Project Notes. Interest payments on the FHA Note are to be made monthly at an interest rate of 9-1/4% per annum. The FHA Note will mature after the maturity date of the Project Notes. In order to further secure the Loan, the Company has executed and delivered directly to the Trustee a Mortgage in the form prescribed by FHA, which Mortgage is dated as of the date hereof (hereinafter referred to as the "Mortgage") pertaining to the Project. Pursuant to the Indenture, the Issuer has pledged and assigned to the Trustee the "Pledged Receipts" as defined in the Indenture, as security for its obligations to pay the principal of, premium (if any) and interest on the Project Notes.

The Project Notes are all issued or may be issued under and are to be equally and ratably secured and entitled to the protection given by the Indenture, which is on file in the office of the Trustee, and reference is hereby made to the Indenture and the Agreement and to all indentures and loan

agreements, respectively, supplemental thereto for a more complete description of the Project, the provisions, among others, with respect to the nature and extent of the security and of the rights, duties and obligations of the Issuer, the Trustee and the holders of the Project Notes are issued and secured, to all of the provisions of which Indenture, each holder, by the acceptance hereof, assents.

The Project Notes are issuable as coupon notes registrable as to principal or as to principal and interest, in denominations of $5,000.00, except that two Notes shall be initially issued in fully registered form in the principal amounts of $800 and $1,200, respectively.

In the event the Company exercises its option to prepay the Loan as provided in Section 8.2 of the Agreement, the Project Notes are subject to extraordinary optional redemption by the Issuer prior to stated maturity at any time in whole at a redemption price of 100% of the principal amount thereof plus accrued interest to the redemption date.

The Project Notes are also subject to special mandatory redemption by the Issuer prior to stated maturity at any time in whole at a redemption price of 100% of the principal amount thereof plus accrued interest to the redemption date if and when (i) the Agreement shall have become void or unenforceable or impossible of performance in accordance with the intent and purpose of the parties as expressed in the Agreement by reason of any changes in the Constitution of the State of Indiana or the Constitution of the United States of America or by reason of legislative or administrative action (whether state or Federal) or any final decree, judgment or order of any court or administrative body (whether state or Federal) entered after the contest thereof by the Issuer or the Company in good faith to such extent that the FHA Note, the Supplemental Note and the obligations evidenced thereby are no longer enforceable by the holder thereof, or (ii) interest on the Project Notes shall have become subject to Federal income tax because of a Determination of Taxability (as defined in the Indenture). Unless the Company shall have made proper provision for the redemption of all Project Notes outsanding within six months following the date of the Event of Taxability, the redemption price payable with respect to a redemption resulting from a Determination of Taxability shall be increased by an amount equal to 2% of the principal amount of all Project Notes then outstanding for each six-month period, or any part thereof, from the date of the Event of Taxability to the date of redemption. With respect to Notes not outstanding on the date of the Determination of Taxability, but which were outstanding on the date of the Event of

Taxability, the redemption price shall be increased by an amount equal to 2% of the principal amount of each of such Notes for each six-month period, or any part thereof, elapsed between the date of the Event of Taxability and the date that such Note was paid or redeemed. Any such redemption shall be made not more than 180 days following the effective date of any such constitutional amendment, legislation, administrative action or final decree, judgment or order, or following the date of the Determination of Taxability (excluding any final determination that interest is subject to Federal income tax with respect to any Note held by a "substantial user" of the Project or by a "related person" thereof, as those terms are used in Section 103(b)(9) of the Internal Revenue Code of 1954). Notice from the Company to the Trustee pursuant to Section 8.4 of the Agreement that the Company shall prepay the Loan in full as required under Section 8.3 of the Agreement and shall concurrently prepay the FHA Note and Supplemental Note, shall constitute the direction from the Issuer to the Trustee to call all the then outstanding Project Notes for special mandatory redemption pursuant to this paragraph, and no separate notice from the Issuer to the Trustee shall be required.

[The following paragraph applies only to $7,775,800 principal amount of Project Notes].

This Project Note is also subject to special mandatory redemption by the Issuer prior to stated maturity at any time after May 1, 1982, at a redemption price of 100% of the principal amount hereof plus accrued interest to the redemption date, upon final endorsement of the FHA Note by FHA, delivery of the FHA Note and Mortgage to the Government National Mortgage Association ("GNMA") and receipt of payment therefor from GNMA. In the event that the FHA Note and Mortgage have not been purchased by GNMA on or before December 1, 1982, this Project Note shall be redeemed at the redemption price stated above, unless the Company pays extension fees, which shall be paid to each Note holder on a pro rata basis, of one tenth of one percent (0.1%) of the then outstanding principal amount of the Note issue, for each additional month or portion thereof until either the FHA Note and Mortgage are purchased by GNMA or the Project Note becomes due at its maturity.

This Project Note is issued pursuant to and in full compliance with the Constitution and laws of the State of Indiana, particularly Sections 18-6-4.5-1 to 18-6-4.5-30, inclusive, of the Indiana Code of 1971, as supplemented and amended, and pursuant to an ordinance adopted and approved by the Common Council of the Issuer, which ordinance authorizes the execution and delivery of the Indenture and Agreement.

Payment of the principal of, premium (if any) and interest on the Project Notes (hereinafter collectively referred to as "Note service charges") is to be made, except to the extent made from Project Note proceeds and the investment thereof, solely from the "Pledged Receipts" (generally, the payments and other amounts which under the Agreement are payable by the Company directly to the Trustee for the account of the Issuer in repayment of the Loan, including the payments of principal of, premium (if any) and interest on the FHA Note and the Supplemental Note; all other moneys received by the Issuer, or the Trustee for the account of the Issuer, in respect of the Loan, subject to certain provisions in the Indenture with respect to the Trustee holding moneys for the benefit of the holders of particular Project Notes; the proceeds of the Project Notes including all moneys deposited in the Construction Fund defined in the Indenture; and the income and profit from the investment of such payments and moneys), and is secured by a pledge of and lien on the moneys deposited in the Project Note Fund as established by the Indenture and hereinafter identified and a pledge and assignment of other moneys constituting said Pledged Receipts, as provided for in the Indenture. Payments sufficient for the prompt payment when due of the Project Note service charges on the Project Notes are required by the Agreement to be made by the Company to the Trustee for the account of the Issuer and deposited in a special account created by the Issuer and designated "City of Fort Wayne - Brighton Meadows Revenue Note Fund", and have been duly pledged for that purpose.

THE PROJECT NOTES ARE NOT SECURED BY ANY OBLIGATION OR PLEDGE OF ANY MONEYS RECEIVED, OR TO BE RECEIVED, FROM TAXATION OR FROM THE STATE OF INDIANA OR ANY POLITICAL SUBDIVISION OR TAXING DISTRICT THEREOF AND DO NOT NOW AND NEVER SHALL CONSTITUTE A CHARGE AGAINST THE GENERAL CREDIT OR TAXING POWERS OF THE ISSUER, NOR AGAINST THE GENERAL CREDIT OR TAXING POWERS OF THE STATE OF INDIANA OR ANY POLITICAL SUBDIVISION THEREOF, PURSUANT TO THE CONSTITUTION AND LAWS OF THE STATE OF INDIANA.

The holder of this Project Note shall have no right to enforce the provisions of the Indenture or to institute action to enforce the covenants therein, or to take any action with respect to any event of default under the Indenture, or to institute, appear in or defend any suit or other proceedings with respect thereto, except as provided in the Indenture. In certain events, on the conditions, in the manner and with the effect set forth in the Indenture, the principal of this Project Note may become or may be declared due and payable before the stated maturity thereof, together with interest accrued thereon. Modifications or alterations of the Indenture, or of any supplements thereto, may be made only to the extent and in the circumstances permitted by the Indenture.

The Project Notes shall not constitute the personal obligation, either jointly or severally, of the members of the Common Council of the Issuer or of any of the officers of the Issuer.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the execution and delivery of the Indenture and the issuance of this Project Note do exist, have happened and have been performed in due time, form and manner as required by law; and that the issuance of this Project Note, together with all other obligations of the Issuer, does not exceed or violate any constitutional or statutory limitation.

This Project Note shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Indenture until the certificate of authentication hereon shall have been duly executed by the Trustee.

IN WITNESS WHEREOF, the City of Fort Wayne, Indiana, has caused this Note to be executed in its name by the manual or facsimile signature of its Mayor and attested by the manual or facsimile signature of its Clerk, and the interest coupons attached hereto to be executed by the facsimile signatures of said Mayor and Clerk and its corporate seal to be affixed hereto or reproduced hereon, all as of the first day of July 1980.

CITY OF FORT WAYNE, INDIANA

By_____
Mayor

(SEAL)

Attest:

_____
Clerk

(Form of Trustee's Certificate of Authentication)

This Project Note is one of the Project Notes described in the within-mentioned Trust Indenture.

as Trustee

By_____
Authorized Officer

Back Panel

Legal Opinion

PECK, SHAFFER & WILLIAMS
First National Bank Building
Cincinnati, Ohio 45202

(FORM OF INTEREST COUPON)

No. _____ $197.50

Unless the Project Note described below shall have been duly called for previous redemption and payment of the redemption price duly made or provided for, on the first day of January/July, 19__, the City of Fort Wayne, in the State of Indiana, will pay to bearer, but solely from the sources and in the manner provided in the Trust Indenture dated as of July 1, 1980, between the said Issuer and the Trustee, on presentation and surrender of this coupon, without deduction for the services of the paying agent, at the corporate trust office of the Trustee, presently _____ _____, the amount shown hereon in lawful money of the United States of America, being interest then due on its ECONOMIC DEVELOPMENT REVENUE NOTE (Brighton Meadows Project), dated July 1, 1980, Numbered _____.

(facsimile signature)
Clerk

(facsimile signature)
Mayor

(FORM OF REGISTRATION)

Date of Registration	Name of Registered Owner	Signature of Note Registrar
_____	_____	_____
_____	_____	_____
_____	_____	_____

NOW, THEREFORE, THIS INDENTURE WITNESSETH, that in order to secure the payment of the Note debt service charges on the Notes according to their true intent and meaning, and to secure the performance and observance of all the covenants and conditions therein and herein contained and to declare the terms and conditions upon and subject to which the Notes are and are intended to be issued, held, secured, and enforced, the Issuer, in consideration of the premises and the acceptance by the Trustee of the trusts hereby created and of the purchase and acceptance of the Project Notes by the holders and owners thereof, and for other good and valuable considerations, the receipt of which is hereby acknowledged, has executed and delivered this Indenture and does hereby pledge and assign to _____, as Trustee, and to its successors in trust, and its and their assigns, for the securing of the performance of the obligations of the Issuer hereinafter set forth, the Loan Agreement, the Pledged Receipts, including without limitation all payments and other amounts receivable by or on behalf of the Issuer under the Agreement and in respect to the Loan, and all moneys and investments in the Debt Service Reserve Fund, the Construction Fund and the Note Fund, and in particular the payments to be received under and pursuant to and subject to the provisions of the Agreement, pursuant to the terms of which payments are to be paid directly to the Trustee at the corporate trust office of the Trustee, or to the Mortgage Servicer at the principal corporate office of the Mortgage Servicer, for the account of the Issuer and deposited in the Note Fund, all subject to and in accordance with this Indenture;

TO HAVE AND TO HOLD to the Trustee and its successors in said trust and to its and their assigns forever;

BUT IN TRUST, NEVERTHELESS, for the equal and proportionate benefit, security and protection of all present and future holders and owners of the Notes and coupons issued or to be issued under and secured by this Indenture, and for the enforcement of the payment of the Note service charges on the Notes, when payable, according to the true intent and meaning thereof and of this Indenture and to secure the performance of and compliance with the covenants, terms and conditions of this Indenture, without preference, priority or distinction, as to lien or otherwise, of any one Note or coupon over any other by reason of designation, number, date of authorization, issuance, sale, execution or delivery, date of the Notes or of maturity, or otherwise, so that each and all Notes and coupons shall have the same right, lien and privilege under this Indenture, and shall be equally and ratably secured hereby, as if all the Notes and coupons had been made, issued

and negotiated simultaneously with the delivery of this Indenture, it being intended that the lien and security of this Indenture shall take effect from the date hereof, without regard to the date of actual issue, sale or disposition of the Notes as though upon such date all the Notes were actually issued, sold and delivered to purchasers for value; provided, however, that if the Issuer, its successors or assigns, shall well and truly pay, or cause to be paid, the principal of the Notes and the interest due or to become due thereon together with any premium required by redemption of any of the Notes prior to maturity, at the times and in the manner mentioned in the Notes and the coupons, respectively, according to the true intent and meaning thereof, or shall cause the payment to be made into the Note Fund as required under Sections 7 and 8 of the Note Legislation authorizing the Project Notes, or shall have caused the Notes and coupons to have been paid and discharged in accordance with Sections 8.01 and 8.02 of this Indenture, shall well and truly keep, perform and observe all the covenants and conditions pursuant to the terms of this Indenture to be kept, performed and observed by it, and shall pay or cause to be paid to the Trustee and Paying Agents all sums of money due or to become due to them in accordance with the terms and provisions hereof, then this Indenture and the rights hereby granted shall cease, determine and be void; otherwise, this Indenture shall be and remain in full force and effect.

And it is expressly declared that all Notes issued and secured hereunder are to be issued, authenticated and delivered, and all Pledged Receipts hereby pledged and the Construction Fund and the Project Note Fund are to be dealt with and disposed of under, upon and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses and purposes provided in this Indenture, and the Issuer has agreed and covenanted, and does hereby further agree and covenant, with the Trustee and with the respective holders and owners from time to time, of the Notes or coupons, or any part thereof, as follows:

ARTICLE I

DEFINITIONS

In addition to the words and terms elsewhere defined, directly or by reference to the Agreement, in this Indenture, the following words and terms as used in this Indenture shall have the following meanings unless the context or use clearly indicates another or different meaning or intent:

"Act" means Sections 18-6-4.5-1 to 18-6-4.5-30 of the Indiana Code of 1971, as supplemented and amended.

"Agreement" means the Supplemental Loan Agreement between the Issuer and the Company, dated as of July 1, 1980, as the same may be duly amended, modified or supplemented in accordance with the provisions thereof.

"Code" means the Internal Revenue Code of 1954, as amended, and with respect to a specific section thereof such reference shall be deemed to include (i) the regulations promulgated under such section, (ii) any successor provision of similar import hereafter enacted, (iii) any corresponding provisions of any subsequent Internal Revenue Code, and (iv) the regulations promulgated under the provisions described in (ii) and (iii).

"Company" means Brighton Meadows, and its successors and assigns including any surviving, resulting or transferee entity as provided in Section 6.3 of the Agreement.

"Construction Fund" means the Construction Fund created in the Note Legislation.

"Contract of Mortgage Insurance" means the contract between the Trustee and FHA to insure the Mortgage and Note pursuant to Section 221(d)(4) of the National Housing Act of 1934, as amended.

"Coupon" or "interest coupon" means a coupon issued hereunder evidencing an installment of interest on a coupon Note.

"Coupon note registered as to principal" means any coupon Note at the time registered as to principal in the name of the Noteholder.

"Debt Service Reserve Fund" means the Debt Service Reserve Fund created in the Note Legislation.

"Determination of Taxability" means the final adoption of legislation or regulations or a final determination, decision, decree, ruling or technical advice by any judicial or administrative authority which has the effect of requiring interest on the Notes to be included in the gross income for Federal income tax purposes of the holder or registered owner of the Notes (other than a holder or registered owner who is a "substantial user" of the Project or a "related person" as those terms are used in Section 103(b)(9) of the Code). A decision or ruling by any judicial or administrative authority shall not be considered final for the purposes of this definition until the expiration or waiver of all periods for judicial review or appeal, as the case may be, in which review or appeal the Company has participated or has had an opportunity to participate. Such determination shall be deemed to have occurred upon receipt by the Trustee of evidence thereof.

"Eligible Investments" means (i) obligations issued or guaranteed by the United States of America, or by any person controlled or supervised by and acting as an instrumentality of the United States pursuant to the authority granted by Congress, the payment of the principal and interest of which is fully and unconditionally guaranteed by the United States of America; (ii) obligations issued or guaranteed by any state or political subdivision thereof rated A or higher by Moody's Investors Service, Inc. or by Standard & Poor's Corporation, both of New York, New York, or their successors; (iii) open market commercial or finance paper of any corporation having a net worth in excess of $100,000,000 and which is rated either P-1 or A-1 or an equivalent by Moody's Investors Service, Inc. or Standard & Poor's Corporation, both of New York, New York, or their successors; (iv) investments in certificates of deposit issued by, or bankers' acceptances of, the Trustee, or of banks or trust companies organized under the laws of the United States of America or any state thereof, which must have a reported capital and surplus of at least $25,000,000 in dollars of the United States of America; and (vi) bank repurchase agreements, including the Trustee's, fully secured by obligations of the type specified in (i) above; provided that any such investment or deposit is not prohibited by law.

"Event of Taxability" means the occurrence of circumstances which a Determination of Taxability shall have found to have occurred, or which shall constitute a Determination of Taxability, and which result in the interest payable on the Notes becoming includable in the gross income for Federal income tax purposes of the holder or registered owner of the Notes (other than a holder or registered owner who is a "substantial user" of the Project or a "related person" as those terms are used in Section 103(b)(9) of the Code), such occurrence of circumstances relating to a specific point in time.

"Executive" means the Mayor of the Legislative Authority of the Issuer.

"Extraordinary Services" and "Extraordinary Expenses" means all services rendered and all reasonable expenses properly incurred under this Indenture other than Ordinary Services and Ordinary Expenses.

"FHA" means the United States Federal Housing Administration.

"FHA Loan Documents" means those documents required by FHA, including but not limited to the FHA Note, the Mortgage, the Building Loan Agreement and the Regulatory Agreement.

"FHA Note" or "FHA Notes" means the FHA Note of even date herewith, in the principal amount of $7,775,800, which Note is subject to FHA insurance upon advances pursuant to Section 221(d)(4) of the National Housing Act of 1934, as amended, constituting an unconditional promise of the Company to repay $7,775,800 of the Loan, which FHA Note shall be in the form prescribed by FHA and shall contain provisions substantially as described in Exhibit A hereto.

"Fiscal Officer" means (for purposes of this Indenture only) the Clerk of the Legislative Authority of the Issuer.

"GNMA" means the Government National Mortgage Association.

"GNMA Commitment" means the commitment issued by GNMA to purchase the FHA Note and Mortgage upon final endorsement by FHA.

"Indenture" means this Trust Indenture between the Issuer and the Trustee, dated as of July 1, 1980 as the same may be amended, modified or supplemented in accordance with the provisions thereof.

"Interest Payment Date" means, as to the Project Notes, the first day of each January and July, commencing January 1, 1981, and, as to the FHA Note, the first of each month, commencing July 1, 1980.

"Legislative Authority" means the Common Council of the Issuer.

"Loan" means the loan by the Issuer to the Company of the proceeds from the sale of the Project Notes to the Original Purchaser, after deducting the Note Fund Payment.

"Loan Payments" means the amounts required to be paid by the provisions of Section 2.1 of the Agreement, as the same may hereafter be amended or supplemented, in repayment of the Loan.

"Mortgage" means the FHA Mortgage Deed pertaining to the Project Site and the Project from the Company, as mortgagor, to the Trustee, as mortgagee, of even date herewith and any amendment and supplements thereto.

"Mortgage Servicer" means Waterford Mortgage Company, Incorporated, which will service the Loan on behalf of the Trustee during the Construction Period pursuant to the provisions of the Servicing Agreement.

"Notes" means the Project Notes to be issued pursuant to the Indenture.

"Note Fund Payment" means as to the Project Notes an amount equal to the interest accrued on the Project Notes from their date to the date of their delivery to the Original Purchaser and payment therefor.

"Noteholder" or "holder" or "holder of Notes" means any person who is the bearer of a coupon Note which is not registered as to principal or the principal of which is registered to bearer, or the person in whose name a registered Note is registered, and "holder" when used with reference to a coupon means the bearer of the coupon.

"Note Legislation" means the ordinance authorizing the Project Notes, as the same may from time to time be lawfully amended, modified or supplemented.

"Note Registrar" means the Trustee acting as Note Registrar with respect to the Notes pursuant to the provisions of the Indenture.

"Note service charges" for any time period means the principal, interest, and redemption premium, if any, required to be paid by the Issuer on the Notes for such time period.

"Ordinary Services" and "Ordinary Expenses" mean those services normally rendered and those expenses normally incurred by a trustee under instruments similar to this Indenture.

"Original Purchaser" means, as to the Project Notes, The Cranston Mortgage Company.

"Outstanding Notes" or "Notes outstanding" or "outstanding" as applied to Notes, means, as of any date, all Notes which have been authenticated and delivered, or are then being delivered, by the Trustee under the Indenture except:

(a) Notes surrendered for and replaced upon exchange or transfer, or cancelled because of payment or redemption, at or prior to such date;

(b) Notes for the payment, redemption or purchase for cancellation of which sufficient moneys have been deposited prior to such date with the Trustee (whether upon or prior to the maturity or redemption date of any such Notes), or which are deemed to have been paid and discharged pursuant to the provisions of Section 8.02 of the Indenture; provided that if such Notes are to be redeemed prior to the maturity thereof, notice of such redemption shall have been given or arrangements satisfactory to the Trustee shall have been made therefor, or waiver of such notice satisfactory in form to the Trustee shall have been filed with the Trustee; and

(c) Notes in lieu of which others have been authenticated (or payment, when due, of which is made without replacement) under Section 2.05 of the Indenture;

and also except that

(d) For the purpose of determining whether the holders of the requisite principal amount of Notes have made or concurred in any notice, request, demand, direction, consent, approval, order, waiver, acceptance, appointment or other instrument or communication under or pursuant to this Indenture, Notes owned by or for the account of the Company or any person owned, controlled by, under common control with or controlling the Company shall be disregarded and deemed to be not outstanding. The term "control" (including the terms "controlling", "controlled by" and "under common control with") means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract, or otherwise. Beneficial ownership of 5% or more of a class of securities having general voting power to elect a majority of the board of directors of a corporation shall be conclusive evidence of control of such corporation.

"Paying Agents" means any banks or trust companies designated as the paying agencies or places of payment for Notes or coupons by or pursuant to the applicable Note Legislation, and their successors designated pursuant to the Indenture.

"Permitted Encumbrances" means as of any particular time, (i) liens for real estate taxes and special assessments not then delinquent, (ii) utility, access and other easements and rights of way, flood rights, leases, restrictions and exceptions that an Engineer and the Company certify will not interfere with or impair the operations being conducted in the Project, (iii) such minor defects, irregularities, encumbrances, easements, rights of way, and clouds on title as normally exist with respect to properties similar in character to the Project and as do not, in the opinion of legal counsel acceptable to the Trustee, materially impair the property affected thereby for the purposes for which it was acquired or is held by the Company, and (iv) the Mortgage, FHA Regulatory Agreement and other documents recorded as required to secure the FHA Contract of Mortgage Insurance.

"Person", whether or not appearing with initial capitalization, means natural persons, firms, associations, corporations and public bodies.

"Pledged Receipts" means (a) the Loan Payments, including the payments of principal of and interest and any premium on the FHA Note, (b) subject to the provisions of Sections 3.04 and 8.02 of the Indenture with respect to the Trustee holding moneys for the benefit of the holders of particular Notes, all other moneys received by the Issuer, the Mortgage Servicer or the Trustee for the account of the Issuer, pursuant to the Agreement or in respect to the Loan, (c) the proceeds of the Notes including all moneys deposited in the Construction Fund and in the Debt Service Reserve Fund and (d) the income and profit from the investment of the Loan Payments, any other moneys held by the Trustee under the Indenture, and the moneys deposited in the Construction Fund.

"Project" means the real, personal, or real and personal property, including undivided or other interests therein, identified in Exhibit B to the Agreement, in or pursuant to any amendments to the Agreement, and in the certificate of the Project Supervisor given pursuant to Section 3.3 of the Agreement, and acquired, constructed or installed in replacement or substitution therefor or in addition thereto, and as may result from a revision of the Plans and Specifications (as defined in the Agreement) in accordance with the provisions of the Agreement.

"Project Note Fund" means the Project Note Fund created in the Note Legislation.

"Project Notes or Project Notes" means the Notes authorized in the Note Legislation and designated "Economic Development Revenue Notes (Brighton Meadows Project)".

"Project Purpose" means the purposes of an economic development facility as described in the Act.

"Project Site" means the real estate constituting the site of the Project, which real estate is described in Exhibit C to the Agreement.

"Registered Notes" means Notes registered in the name of the holder, including coupon Notes registered as to principal (except to bearer) and fully registered Notes; and "fully registered Notes" means Notes without coupons registered as to both principal and interest.

"Servicing Agreement" means the Servicing Agreement to be entered into by and among the Mortgage Servicer, the Trustee and the Company, pursuant to which the Mortgage Servicer will obtain FHA insurance upon advances upon the FHA Note and will otherwise service the Loan on behalf of the Trustee.

"State" means the State of Indiana.

"Trustee" means the Trustee at the time serving under the Indenture, originally _____ _____, as Trustee, and any successor Trustee as determined or designated under or pursuant to the Indenture.

Any reference herein to the Issuer, to the Legislative Authority, or to any officers thereof, shall include any entity which succeeds to its or their functions, duties or responsibilities pursuant to or by operation of law. Any reference to a section or provision of the Indiana Constitution or the Act or to a section, provision or chapter of the Indiana Code of 1971, as supplemented and amended, shall include such section or provision or chapter as from time to time amended, modified, revised, supplemented, or superseded; provided, however, that no such change in the Constitution or laws (a) shall alter the obligation to pay the Note service charges in the amounts and manner, at the times, and from the sources provided in the Note Legislation and the Indenture, except as otherwise herein permitted or (b) shall be deemed applicable by reason of this provision if such change would in any way constitute an impairment of the rights of the Issuer or the Company under the Agreement or the Indenture.

Unless the context shall otherwise indicate, words importing the singular number shall include the plural number, and vice versa, and the terms "hereof", "hereby", "hereto", "hereunder", and similar terms, mean the Indenture.

End of Article I

ARTICLE II

FORM, EXECUTION, AUTHENTICATION, REGISTRATION AND EXCHANGE OF NOTES, INVESTMENTS

Section 2.01 Form of Notes and Temporary Notes. The Project Notes and Trustee's certificate of authentication shall be substantially in the forms set forth in the preambles to this Indenture with, in the case of Additional Notes, such omissions, insertions and variations as may be authorized or permitted by the Note Legislation authorizing, or supplemental indenture entered into in connection with, such Additional Notes, all consistent with this Indenture.

The Project Notes shall be designated "Economic Development Revenue Notes (Brighton Meadows Project)", and shall be initially issued in bearer form in denominations of $5,000 (except for two Notes which shall initially be issued in fully registered form) and shall be subject to registration in the manner and on the terms provided in this Indenture.

The Project Notes shall bear interest at the rate of seven and nine-tenths percent (7-9/10%) per annum, such interest being payable on the first day of each January and July, commencing January 1, 1981. The principal amount of the Project Notes shall be due and payable on January 1, 1983, subject to the provisions stated in the Agreement and in the Project Notes with respect to optional or mandatory prepayment of the Notes.

Notes of any series may initially be issued in temporary form exchangeable for definitive Notes of the same series when ready for delivery. The temporary Notes shall be of such denomination or denominations, without coupons, as may be determined by the Legislative Authority in accordance with the Note Legislation, and may contain such reference to any of the provisions of this Indenture as may be appropriate. Every temporary Note shall be executed and authenticated upon the same conditions and in substantially the same manner as the definitive Notes. If temporary Notes are issued, the Issuer will thereafter execute and furnish definitive Notes and thereupon the temporary Notes may be surrendered for cancellation in exchange therefor at the principal office of the Trustee, and the Trustee shall authenticate and deliver in exchange for such temporary Notes an equal aggregate principal amount of definitive coupon Notes or definitive fully registered Notes without coupons of the same series and maturity of authorized denominations. Until so exchanged, the temporary Notes shall be entitled to the same benefits under this Indenture as definitive Notes authenticated and delivered hereunder.

Section 2.02 Execution and Authentication of Notes. The Notes and coupons shall be executed in the manner provided in the Note Legislation authorizing such Notes; provided, however, that such manner of execution shall not be inconsistent with any requirements of law or of this Indenture.

Neither any Note nor any coupon thereto annexed shall be valid or become obligatory for any purpose or shall be entitled to any security or benefit under this Indenture unless and until an authentication certificate, substantially in the form hereinabove set forth in connection with the Project Notes, shall have been duly endorsed upon such Note. Such authentication by the Trustee upon any Note shall be conclusive evidence that the Note so authenticated has been duly authenticated and delivered hereunder and is entitled to the security and benefit of this Indenture. Such certificate of the Trustee may be executed by any person duly authorized by the Trustee, but it shall not be necessary that the same person sign the authentication certificate on all of the Notes.

The Trustee shall not authenticate or deliver any coupon Notes unless all coupons annexed thereto and then matured shall have been detached and cancelled, except as may be permitted under Sections 2.03 and 2.04 hereof.

Section 2.03 Transfer, Exchange and Registration of Notes. Unless otherwise provided in the Note Legislation authorizing a particular series of Notes, the Notes are issuable as coupon Notes registrable as to principal and also as fully registered Notes in the same denominations as those in which the coupon Notes of the same series have been authorized and any integral multiple thereof requested by the Noteholder. Each fully registered Note shall be of a single maturity of the same series; provided, however, that the Fiscal Officer with approval of the Trustee may authorize issuance of one or more fully registered Notes representing more than one maturity of the same series with appropriate changes in the bond form to cover more than one maturity, such authorization and approval in each case to be evidenced by the facsimile or original signature of the Fiscal Officer and authentication by the Trustee. Except as otherwise provided in the Note Legislation, each fully registered Note shall bear interest from its date and shall be dated as of the date of coupon Notes of that series if authenticated prior to the first interest payment date for such series of Notes, and otherwise shall be dated as of the interest payment date next preceding the date of its authentication, unless authenticated upon an interest payment date in which case it shall be dated as of the date of its authentication; provided, however, that if at the time of authentication of any fully registered Note interest thereon is in default, such Note shall be dated as of the date to which interest has been paid.

Unless otherwise provided in the Note Legislation, the principal of and any premium on all registered Notes and coupon Notes and the coupons appertaining thereto shall be payable at the corporate trust office of the Trustee, and payment of the interest on fully registered Notes shall be made on each Interest Payment Date to the person appearing on the registration books hereinafter provided for as the registered holder thereof, by check or draft mailed or delivered by the Trustee to such registered holder at his address as it appears on such registration books.

Coupon Notes, upon surrender thereof at the corporate trust office of the Trustee, as Note Registrar, with all unmatured coupons and all matured coupons in default, if any, appertaining thereto may, at the option of the holder or registered holder thereof, be exchanged for an equal aggregate principal amount of fully registered Notes of the same series and of any denomination or denominations authorized by this Indenture and the applicable Note Legislation and bearing interest at the same rate and maturing on the same date or dates. Printing charges for printing of coupon Project Notes, and any other fees or expenses associated with preparation thereof, shall be paid by the Company.

Fully registered Notes, upon surrender thereof at the corporate trust office of the Note Registrar, together with an assignment duly executed by the registered holder or his duly authorized attorney in such form as shall be satisfactory to the Note Registrar, may, at the option of the registered holder thereof, be exchanged for coupon Notes of the same series in an aggregate principal amount equal to the unmatured and unredeemed principal amount of such fully registered Notes, bearing interest at the same rate and maturing on the same date or dates, with coupons attached representing all unpaid interest due or to become due thereon, or for fully registered Notes of the same series of any denomination or denominations authorized by the applicable Note Legislation in an aggregate principal amount equal to the unmatured and unredeemed principal amount of such fully registered Notes, and bearing interest at the same rate and maturing on the same date or dates, or any combination of the foregoing, in each case at the expense of the Company as to printing and related costs of such exchange.

Title to any coupon Note, unless such Note is registered as to principal (except to bearer), and to any interest coupon shall pass by delivery. Unless otherwise provided in the applicable Note Legislation, at the option of the holder, any coupon Note may be registered as to principal on registration books kept for that purpose at the corporate

trust office of the Note Registrar, upon presentation thereof to the Note Registrar which shall make notation of such registration thereon. Any such Note registered as to principal (except to bearer) may thereafter be transferred only upon an assignment duly executed by the registered holder or his duly authorized attorney in such form as shall be satisfactory to the Note Registrar, such transfer to be made on such books and endorsed on the Note by the Note Registrar. Such transfer may be to bearer and thereby transferability by delivery shall be restored, subject, however, to successive registrations and transfers as before.

Any fully registered Note may be transferred only upon the books kept for the registration and transfer of Notes, upon surrender thereof at the corporate trust office of the Note Registrar together with an assignment duly executed by the registered holder or his duly authorized attorney in such form as shall be satisfactory to the Note Registrar. Upon the transfer of any such fully registered Note and on request of the Note Registrar, the Issuer shall execute in the name of the transferee, and the Trustee shall authenticate and deliver, a new fully registered Note or Notes of the same series, of any denomination or denominations permitted by this Indenture and the applicable Note Legislation, or coupon Notes of the same series with coupons attached representing all unpaid interest due or to become due thereon, or a combination of the foregoing, in aggregate principal amount equal to the unmatured and unredeemed principal amount of such fully registered Note, and bearing interest at the same rate and maturing on the same date or dates.

In all cases in which Notes shall be exchanged or fully registered Notes shall be transferred hereunder, the Issuer shall execute and the Trustee shall authenticate and deliver Notes in accordance with the provisions of this Indenture. Except as otherwise provided in the applicable Note Legislation as to the series of Notes authorized by such Legislation, the Issuer and Note Registrar may make a charge for every such exchange or transfer of Notes sufficient to reimburse them for any tax, fee or other governmental charge required to be paid with respect to such exchange or to reimburse them for all other costs and expenses incurred in connection with such exchange or transfer, and such charge or charges shall be paid before any such new Note shall be delivered; provided, however, that if any fully registered Notes shall have been initially delivered, in either temporary or definitive form, to the Original Purchaser of the same series of Notes, there shall be no charge to the Original Purchaser for the exchange of such fully registered Notes for coupon Notes or for the exchange of temporary Notes for

definitive Notes. Neither the Issuer nor the Note Registrar shall be required to make any such exchange or transfer of any Note during the ten days next preceding an Interest Payment Date on the Notes of the same series or next preceding any selection of Notes of the same series to be redeemed, or after such Note has been selected for partial or complete redemption.

As to any coupon Note registered as to principal or any fully registered Note, the person in whose name the same shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of or on account of the principal of and premium, if any, on any such Note and the interest on any such fully registered Note shall be made only to or upon the order of the registered holder thereof or his duly authorized attorney in such form as shall be satisfactory to the Note Registrar, and neither the Issuer, Note Registrar nor any Paying Agent shall be affected by any notice to the contrary, but such registration may be changed as hereinabove provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Note, including the interest thereon, to the extent of the sum or sums so paid. The Issuer, Note Registrar and any Paying Agent may deem and treat the bearer of any coupon Note which shall not at the time be registered as to principal or which shall be registered as to principal to bearer, and the bearer of any coupon appertaining to any coupon Note whether such coupon Note shall be registered as to principal or not, as the absolute owner of such Note or coupon, as the case may be, whether such bond or coupon shall be overdue or not, for the purpose of receiving payment thereof and for all other purposes whatsoever, and neither the Issuer, Note Registrar nor any Paying Agent shall be affected by any notice to the contrary.

In case any fully registered Note is redeemed in part only, the Issuer, on or after the redemption date and upon surrender of such Note, shall cause execution of and the Trustee shall authenticate and deliver a new Note or Notes in authorized denominations and in aggregate principal amount equal to the unredeemed portion of such Note.

So long as any of the Notes remain outstanding, the Issuer will cause to be maintained and kept, at the corporate trust office of the Trustee as Note Registrar, books for the aforesaid registration and transfer of Notes except that as to any series of Notes an additional or different Note Registrar may be designated in the applicable Note Legislation.

Section 2.04 Mutilated, Lost, Wrongfully Taken or Destroyed Notes or Coupons. In the event any temporary or definitive Note or coupon is mutilated, lost, wrongfully taken or destroyed, the Issuer shall execute and the Trustee shall authenticate a new Note or coupon, as the case may be, of like date, maturity and denomination as that mutilated, lost, wrongfully taken or destroyed, which new Note, if a coupon Note, shall have attached thereto coupons corresponding in all respects to those (if any) on the Note mutilated, lost, wrongfully taken or destroyed; provided that, in the case of any mutilated Note or coupon, such mutilated Note or coupon together with, if a Note, all coupons (if any) appertaining thereto shall first be surrendered to the Trustee, and in the case of any lost, wrongfully taken or destroyed Note or coupon, there shall be first furnished to the Issuer, the Company and the Trustee evidence of such loss, wrongful taking or destruction satisfactory to the Fiscal Officer, the Authorized Representative of the Company and the Trustee, together with indemnity satisfactory to them. In the event such lost, wrongfully taken or destroyed Note or coupon shall have matured, instead of issuing a new Note or coupon the Issuer, by its Fiscal Officer, may direct the Trustee to pay the same without surrender thereof upon the furnishing of the satisfactory evidence and indemnity as in the case of issuance of a new Note or coupon. The Issuer and the Trustee may charge the holder of such Note with their reasonable fees and expenses in connection with their action pursuant to this Section.

Every new Note or coupon issued pursuant to this Section shall, with respect to such Note or coupon, constitue an additional contractual obligation of the Issuer, whether or not the lost, wrongfully taken or destroyed Note or coupon shall be found at any time, and shall be entitled to all the benefits of this Indenture equally and proportionately with any and all other Notes and coupons duly issued hereunder. All Notes and coupons shall be held and owned on the express condition that the foregoing provisions of this Section are exclusive with respect to the replacement or payment of mutilated, lost, wrongfully taken or destroyed Notes and coupons and shall preclude any and all rights or remedies, notwithstanding any law or statute existing or hereafter enacted to the contrary with respect to the replacement or payment of negotiable instruments or other securities without their surrender.

Section 2.05 Safekeeping and Cancellation of Notes. Any Note or any coupon surrendered for the purpose of payment or retirement, or for exchange, or for replacement or payment pursuant to Section 2.04, shall be cancelled upon surrender thereof to the Trustee or Paying Agents, provided, however,

that any coupon Note surrendered for exchange may, at the option of the Trustee, instead of being cancelled as provided above, be held in safekeeping by the Trustee for reissuance and may be reissued in an exchange pursuant to Section 2.03 hereof, and any such Note and coupons appertaining thereto shall, if not so reissued, be cancelled by the Trustee immediately after maturity, and certification of such cancellation shall be made to the Issuer as provided in this Section. Any such Notes and coupons cancelled by a Paying Agent other than the Trustee shall promptly be transmitted by such Paying Agent to the Trustee. Certification of such surrender and cancellation, and of any coupon Notes held in safekeeping by the Trustee for reissuance pursuant to this Section, shall be made to the Issuer by the Trustee at least twice each calendar year. Unless otherwise directed by the Issuer or other lawful authority, cancelled Notes and coupons shall promptly be destroyed by shredding or cremation by the Trustee, and certificates of such destruction (describing the manner thereof) provided by the Trustee to the Issuer.

Section 2.06 Delivery of the Project Notes. Upon the execution and delivery of this Indenture, the Issuer shall execute and deliver to the Trustee, and the Trustee shall authenticate, the Project Notes and deliver them to, or for the account of, the Original Purchaser thereof as may be directed by the Issuer as hereinafter in this Section 2.07 provided.

Prior to the delivery by the Trustee of any of the Project Notes there shall be filed with the Trustee:

1. A copy, duly certified by the Clerk of the Legislative Authority, of the Note Legislation authorizing the execution and delivery of the Indenture and the Agreement and the issuance and sale of the Project Notes, and a copy, duly certified by a general partner of the Company, of the resolution or resolutions adopted by its general partners authorizing the execution and delivery of the Agreement, the FHA Note and the FHA Loan Documents.

2. Original executed counterparts of the Indenture, the Agreement and the FHA Loan Documents.

3. The original executed FHA Note which will:

(a) be payable to the Trustee;

(b) be issued in the initial principal amount of $7,775,800;

(c) provide for payments of interest on a monthly basis, sufficient when combined with (1) the payments to be made (if any) pursuant to the Supplemental Note and (2) cash on hand to provide funds for the payment of interest on the Project Notes;

(d) be subject to endorsement by FHA for insurance upon advances in an amount of not less than $7,775,800.

4. The original executed Supplemental Note in substantially the form attached to the Agreement as Exhibit B.

5. An original executed counterpart of the Mortgage.

6. A written opinion or opinions, addressed to the Trustee, of one or more counsel acceptable to the Trustee to the effect that:

(a) the Indenture has been duly authorized, executed and delivered by the Issuer and constitutes a valid and legally binding instrument enforceable in accordance with its terms (except as the same may be subject to limitations upon the right to obtain judicial orders requiring specific performance and may be limited by applicable bankruptcy, insolvency, reorganization, moratorium and similar laws in effect from time to time affecting the rights of creditors generally), and the Project Notes have been validly authorized and executed and are (or when authenticated and delivered will be) valid and legally binding special obligations of the Issuer in accordance with their terms (except as aforesaid);

(b) the Agreement, the Mortgage and the FHA Loan Documents have each been duly authorized, executed and delivered and each constitutes a valid and legally binding instrument enforceable in accordance with its terms, except as the same may be subject to limitations upon the right to obtain judicial orders requiring specific performance and may be limited by bankruptcy, insolvency, reorganization or other laws relating to or affecting generally the enforcement of creditors' rights or the enforcement of the security provided by each of the Agreement, the Mortgage and the FHA Loan Documents;

(c) the FHA Note and Supplemental Note delivered under paragraphs 3 and 4 above have been duly authorized, executed, and delivered, the FHA Note is a valid and legally binding obligation of the Company except as stated in (b) above, and the Supplemental Note is a valid and legally binding obligation of the general partner or partners of the Company, except as aforesaid;

(d) all recordings and filings required to be made under the Note Legislation authorizing the Project Notes have been made; and

(e) all conditions precedent to the delivery of the Project Notes, the FHA Note and the Supplemental Note have been fulfilled.

7. Written title evidence that the Trustee has a valid first mortgage upon the Project Site, subject only to (i) taxes and assessments not delinquent, (ii) liens and encumbrances permitted by the terms and provisions of the Agreement, and (iii) the Agreement and the FHA Note and Mortgage and other FHA loan documents. Such title evidence shall consist of (a) a standard form of title guaranty policy, or commitment therefor, in usual and customary form and issued by a title company authorized to transact business in the State, or (b) an ALTA 1970 form of loan policy of title insurance, or commitment therefor, issued by a title company authorized to transact business in the State. Such title guaranty or loan policy of title insurance shall be in a face amount equal to the face amount of the Notes. Such title or loan policy or commitment therefor shall insure the Trustee against the possibility of filed or unfiled mechanics' or materialmens' liens and as to matters of survey.

8. A request and authorization to the Trustee on behalf of the Issuer, signed by the Executive or the Fiscal Officer, to authenticate and deliver the Project Notes to, or on the order of, the Original Purchaser upon payment to the Trustee, but for account of the Issuer, of the sum specified therein plus accrued interest, which shall be deposited as provided in the Note Legislation.

9. Unconditional and irrevocable letters of credit drawn upon a bank acceptable to the Trustee (which bank may be the Trustee) in the amounts of $59,938 and $77,776, respectively.

Section 2.07 Investment of Project Note Fund, Debt Service Reserve Fund and Construction Fund. Moneys in the Project Note Fund, Debt Service Reserve Fund and the Construction Fund created by the Project Note Legislation shall be invested and reinvested by the Trustee in any Eligible Investments, in accordance with and subject to any orders of the Authorized Company Representative (as defined in the Agreement) with respect thereto, provided that investments of moneys in the Project Note Fund shall mature or been redeemable at the option of the holder at the times and in the amounts necessary to provide moneys hereunder to pay Project Note

service charges as they fall due at stated maturity or by redemption, and that each investment of moneys in the Construction Fund shall in any event mature or be redeemable at the option of the holder at such time as may be necessary to make timely payments from said Fund. Subject to any such orders with respect thereto, the Trustee may from time to time sell such investments and reinvest the proceeds therefrom in Eligible Investments maturing or redeemable as aforesaid. Any such investments may be purchased from the Trustee. The Trustee shall sell or redeem investments standing to the credit of the Project Note Fund, Debt Service Reserve Fund or Construction Fund, if and to the extent necessary, to produce sufficient moneys hereunder at the times required for the purpose of paying Project Note service charges when due as aforesaid, and shall do so without necessity for any order on behalf of the Issuer and without restriction by reason of any such order. An investment made from moneys credited to the Project Note Fund, Debt Service Reserve Fund or the Construction Fund shall constitute part of that respective Fund and such respective Fund shall be credited with all proceeds of sale and income from such investment. For purposes of this Indenture, such investments shall be valued at face amount or market value, whichever is less. The covenant contained in Section 4.5 of the Agreement shall apply to investments of moneys in the Project Note Fund, Debt Service Reserve Fund and Construction Fund.

End of Article II

ARTICLE III

REDEMPTION OF NOTES

Section 3.01 Privilege of Redemption and Redemption Price. The Notes shall be subject to redemption prior to maturity at such times, to the extent and in the manner provided in the Loan Agreement, all subject to this Indenture.

Section 3.02 Issuer's Election to Redeem. The Issuer, except in the case of mandatory redemption provisions provided in the Note Legislation, shall give written notice to the Trustee of its election to redeem in the manner provided in and in accordance with the applicable Note Legislation, of the places where the amounts due upon such redemption are payable, and of the redemption date and of the principal amount of each maturity of each series of redeemable Notes to be redeemed, which notice shall be given at least forty-five days prior to the redemption date or such shorter period as shall be acceptable to the Trustee. In the event notice of redemption shall have been given as in Section 3.03 provided, the Issuer shall, and hereby covenants that it will on or prior to the redemption date, if sufficient funds shall have been provided for the purpose by the Company under the Agreement, pay or cause to be paid to the Trustee an amount in cash which, in addition to other moneys, if any, available therefor held by the Trustee, will be sufficient to redeem at the redemption price thereof, plus interest accrued to the redemption date, all of the redeemable Notes which the Issuer has so elected to redeem.

Section 3.03 Notice of Redemption. Notice of the call for any such redemption identifying by number the Notes, or portions of fully registered Notes, to be redeemed, the redemption price to be paid, the date fixed for redemption, and the places where the amounts due upon such redemption are payable, shall be given by publication at least twice in a newspaper or financial journal of national circulation published in the City of New York, New York, which shall be published not less than thirty (30) days prior to the redemption date, and in the case of the redemption of Notes at the time registered as to principal (except to bearer) or both principal and interest, upon mailing a copy of the redemption notice by registered or certified mail at least thirty (30) days prior to the date fixed for redemption to the registered owner of each Note to be redeemed at the address shown on the registration books, provided, however, that failure to give such notice by mailing, or any defect therein, shall not affect the validity of any proceedings for the redemption of Notes.

If all of said Notes to be redeemed are at that time registered as to principal (except to bearer), notice by mailing given by registered or certified mail to the registered owner or owners thereof, at their addresses shown on the registration books, not less than thirty (30) days prior to the date fixed for redemption shall be sufficient, and published notice of the call for redemption need not be given; provided, however, that failure to give such notice by mailing, or any defect therein, shall not affect the validity of any proceedings for the redemption of Notes.

Prior to the date that the redemption notice is first published or mailed as aforesaid, funds shall be placed irrevocably with the Trustee to pay such Notes and accrued interest thereon to the redemption date and the premium, if any. Upon the happening of the above conditions, the Note, or portions thereof, thus called shall not thereafter bear interest, shall no longer be protected by this Indenture, and shall not be deemed to be outstanding under the provisions of this Indenture.

The Trustee shall redeem, in the manner provided in this Section 302, such an aggregate principal amount of such Notes at the principal amount thereof plus the applicable premium, if any, and accrued interest to the redemption date as will exhaust as nearly as practicable such funds. Such redemption shall be by lot in such manner as may be designated by the Trustee unless otherwise provided herein.

Section 3.04 Payment of Redeemed Notes. Notice having been given or waived in the manner provided in Section 3.03, the Notes (and portions of fully registered Notes) so called for redemption shall become due and payable on the redemption date at the redemption price, plus interest accrued to the redemption date, and, upon presentation and surrender thereof, together with all appurtenant coupons maturing on or subsequent to the redemption date, at the place or places specified in such notice, such Notes (and portions of fully registered Notes) shall be paid at the redemption price plus interest accrued to the redemption date not represented by matured coupons. All interest installments represented by coupons which shall have matured on or prior to the redemption date shall continue to be payable to the bearers of such coupons. If, on the redemption date, moneys for the redemption of all such Notes (and portions of fully registered Notes) to be redeemed, together with interest to the redemption date, are held by the Trustee so as to be available therefor on said date and if notice of redemption shall have been given or waived as aforesaid, then, from and after the redemption date such Notes (and portions of fully registered Notes) so called for

redemption shall cease to bear interest and all appurtenant coupons maturing subsequent to the redemption date, shall be void, and said Notes (and portions of fully registered Notes) and coupons shall no longer be considered as outstanding hereunder. If said moneys shall not be so available on the redemption date, such Notes (and portions of fully registered Notes) shall continue to bear interest until paid at the same rate as they would have borne had they not been called for redemption.

All moneys deposited in the Note fund and held by the Trustee or Paying Agents for the redemption of particular Notes shall be held in trust for the account of the holders thereof and shall be paid to them respectively upon presentation and surrender of such Notes and any appurtenant coupons.

End of Article III

ARTICLE IV

FURTHER PROVISIONS AS TO FUNDS, PAYMENTS, PROJECT AND AGREEMENT

Section 4.01 Provisions for Payment. The Issuer hereby authorizes and directs the Trustee to cause withdrawal of sufficient funds from the Project Note Fund, or Construction Fund, if and to the extent necessary, available for such purpose to pay the Note service charges on the Notes as the same become due and payable (whether at stated maturity or by redemption), for the purposes of paying, or transferring necessary funds to Paying Agents to pay, said Note service charges, which authorization and direction the Trustee hereby accepts.

Section 4.02 Disbursement of Funds, Collection of Revenues, Mortgage Servicing. The Trustee is hereby directed to create and maintain the various note funds described in the Note Legislation of the Legislative Authority. All revenues collected with respect to this Project under the FHA Note and this Supplemental Note shall be applied as described therein. The Trustee shall advance funds to the Owner pursuant to the FHA Building Loan Agreement as each advance is certified as insured by FHA. The Trustee is hereby authorized to enter into a Mortgage Servicing Agreement with the Mortgage Servicer or another FHA-approved mortgagee to provide for servicing of the mortgage loan to the owner.

The Trustee is directed to do or cause to be done all things necessary to keep the Contract of Mortgage Insurance in full force and effect and to do or cause to be done all things required by GNMA pursuant to the GNMA commitment and Chapter 6 of the GNMA Seller's Guide to cause the delivery of the FHA Note and Mortgage and related documents to GNMA (either directly or by prior assignment to a GNMA approved Seller/Servicer, which may be the Mortgage Servicer) for purchase after final endorsement of the FHA note for insurance by FHA.

Section 4.03 Non-presentment of Notes or Coupons. In the event any Note shall not be presented for payment when the principal thereof becomes due, whether at maturity, at the date fixed for redemption thereof, or otherwise, or in the event any coupon shall not be presented for payment at the due date thereof, if funds sufficient to pay such Note or coupon shall have been made available to the Trustee for the benefit of the holder or holders thereof, all liability of the Issuer to the holder thereof for the payment of such Note or coupon, as the

case may be, shall thereupon cease and be completely discharged, and it shall be the duty of the Trustee to hold such funds, without liability for interest thereon, in a separate account in the Project Note Fund for the benefit of the holder of such Note, or the holder of such coupon, as the case may be, who shall thereafter be restricted exclusively to such funds for any claim of whatever nature on his part under this Indenture or on, or with respect to, said Note or coupon; provided that any funds which shall be so held by the Trustee and which remain unclaimed by the holder of the Note or coupon not presented for payment for a period of three years after such due date thereof, shall be paid to the Company free of any trust or lien and thereafter the holder of such Note or coupon shall look only to the Company for payment and then only to the amounts so received by the Company without any interest thereon, and the Trustee shall have no further responsibility with respect to such moneys.

Section 4.04 Extension of Payment of Notes and Coupons. The Issuer shall not directly or indirectly extend or assent to the extension of the maturity of any of the Notes or the time of payment of any of the coupons or claims for interest, by the purchase or funding of such Notes, coupons or claims for interest or by any other arrangement, and in case the maturity of any of the Notes or the time for payment of any such coupons or claims for interest shall be extended, such Notes, coupons or claims for interest shall not be entitled in case of any event of default under this Indenture to the benefit of the Indenture or to any payment out of the funds (except funds held for the payment of particular Notes, coupons or claims for interest pursuant to this Indenture held by the Trustee or any Paying Agent) except subject to the prior payment of the principal of all Notes issued and outstanding the maturity of which has not been extended and of such portion of the accrued interest on the Notes as shall not be represented by such extended coupons or claims for interest. Nothing herein shall be deemed to limit the right of the Issuer to issue any duly authorized refunding Notes and such issuance shall not be deemed to constitute an extension of maturity of Notes.

Section 4.05 Payments to Trustee and Paying Agents. Pursuant to the provisions of the Agreement and the Servicing Agreement, the general partner or partners of the Company have agreed to pay to the Trustee, continuing until the outstanding Notes shall have been fully paid and discharged in accordance with the provisions of the Indenture, the reasonable fees, charges and expenses of the Trustee, as Trustee (for Ordinary and Extraordinary Services and Expenses), Note Registrar and Paying Agent, and of other Paying Agents, as and when the same become due; provided, that the Company may, without creating a

default thereunder, contest in good faith the necessity for any such Extraordinary Services and Extraordinary Expenses and the reasonableness of any such fees, charges or expenses. The initial or acceptance fees of the Trustee and the fees, charges and expenses of the Trustee or other Paying Agents referred to in the first sentence of this Section, which may become due and payable during the Construction Period (as defined in the Agreement) may be paid by the Trustee from the Construction Fund as and when the same shall become due and payable as provided in the Agreement.

Section 4.06 Moneys to be Held in Trust. All moneys required or permitted to be deposited with or paid to the Trustee or any Paying Agent under any provision of this Indenture or the Agreement, and any investments thereof, shall be held by the Trustee or such Paying Agent in trust and, except for moneys deposited with or paid to the Trustee or any Paying Agent for the redemption of Notes, notice of the redemption of which has been duly given, and moneys held by the Trustee pursuant to Section 4.02 hereof, shall, while held by the Trustee or Paying Agent, be subject to the lien hereof.

Section 4.07 Insurance and Condemnation Proceeds. In the event that Net Proceeds, or an amount equal to Net Proceeds, of any insurance or condemnation award shall be paid to the Trustee for the account of the Issuer and deposited in a special account other than the Project Note Fund, in accordance with the provisions of Section 5.6 of the Agreement, the Trustee hereby agrees to accept and disburse such Net Proceeds or amount as directed by the Issuer with the consent of the Company. Any such Net Proceeds or amount equal thereto deposited in the Project Note Fund in accordance with the provisions of said Section 5.6 shall be applied in the manner provided in Section 2.8 of the Agreement.

Section 4.08 Repayment to the Company from the Note Fund. Except as provided in Section 4.02 of this Indenture, or in Section 4.2(g) of the Agreement any amounts remaining in the Project Note Fund, after all of the outstanding Notes and coupons appertaining thereto shall be deemed to have been paid and discharged under the provisions of this Indenture, and the fees, charges and expenses of the Trustee and the Paying Agents and all other amounts required to be paid under this Indenture and the Agreement shall have been paid, shall be paid to the Company upon the expiration or sooner termination of the Agreement, provided that nothing contained herein shall impair any right of the Issuer or the Trustee under the Agreement, this Indenture or law to recover from such amounts prior to such payment to the Company any loss, cost or expense incurred as a result of any default by the Company in any payment of Loan Payments.

Section 4.09 Records of Construction Fund. The Trustee shall cause to be kept and maintained adequate records pertaining to the Construction Fund and all disbursements therefrom. After the Project has been completed and a certificate of payment of all costs is filed as provided in Section 4.09 hereof, the Trustee shall, if requested by the Issuer or the Company, file an accounting thereof with the Issuer and with the Company.

Section 4.10 Completion of the Project. The completion of the Project and payment of all costs and expenses incident thereto shall be in accordance with the FHA Building Loan Agreement and the FHA procedures applicable thereto.

Section 4.11 Amendments to Agreement Not Requiring Consent of Noteholders. The Issuer and the Trustee shall, without the consent of or notice to the Noteholders, consent to any amendment, change or modification of the Agreement as may be required (i) by the provisions of the Agreement and this Indenture, (ii) for the purpose of curing any ambiguity, inconsistency or formal defect or omission in the Agreement, or (iii) in connection with any other change therein which, in the judgment of the Trustee and the Issuer, is not to the prejudice of the Trustee, the Issuer or the holders of the Notes.

Section 4.12 Amendments to Agreement Requiring Consent of Noteholders. Except for the amendments, changes or modifications as provided in Section 4.11 hereof, neither the Issuer nor the Trustee shall consent to (i) any amendment, change or modification of the Agreement which would change the Loan Payments under Section 2.1 of the Agreement or the Company's covenant not to affect adversely the tax-exempt status of the Notes without publication of notice as provided in this Section of such proposed amendment, change or modification and the written approval or consent thereto of the holders of all of the then outstanding Notes, or (ii) any other amendment, change or modification of the Agreement without publication of notice as provided in this Section of such proposed amendment, change or modification and the written approval or consent thereto of the holders of not less than 66-2/3% in aggregate principal amount of the Notes then outstanding. Such approval or consent of the Noteholders shall be procured as provided in Section 7.02 hereof with respect to supplemental indentures. If at any time the Issuer and the Company shall request the consent of the Trustee to any such proposed amendment, change or modification of the Agreement as provided in clause (i) or (ii) of the first sentence of this Section, the Trustee shall, upon being satisfactorily indemnified with respect to expenses, cause notice of such proposed amendment, change or modification to be published in

the same manner as provided by Section 7.02 hereof with respect to notice of supplemental indentures, which notice shall briefly set forth the nature of such proposed amendment, change or modification and shall state that copies of the instrument enbodying the same are on file at the corporate trust office of the Trustee for inspection by all Noteholders. Such notice may be waived by the written consent of the holders of all of the then outstanding Notes.

Section 4.13 Removal of Portions of Project. Reference is made to the provisions of the Agreement, including without limitation Section 5.2 thereof, whereby the Company may remove portions of the Project upon compliance with the terms and conditions of the Agreement. The Trustee shall, at the request of the Issuer or the Company and upon such provisions of the Agreement being complied with, certify that any such portions are no longer part of the Project for purposes of this Indenture. Removal of any portion of the Project is, pursuant to the terms of the Agreement, subject to the prior written approval of FHA.

End of Article IV

ARTICLE V

THE TRUSTEE AND PAYING AGENTS

Section 5.01 Trustee's Acceptance and Responsibilities. The Trustee hereby accepts the trusts imposed upon it by this Indenture and the Agreement, and agrees to perform the trusts and its obligations under this Indenture and the Agreement as an ordinarily prudent corporate trustee under a trust agreement, but only upon and subject to the following express terms and conditions:

(a) The Trustee may execute any of the trusts or powers hereof and perform any of its duties by or through attorneys, agents, receivers or employees but shall be answerable for the conduct of the same in accordance with the standard specified above, and shall be entitled to advice of counsel concerning all matters of trusts hereof and duties hereunder, and may in all cases pay reasonable compensation to all such attorneys, agents, receivers and employees as may reasonably be employed in connection with the trusts hereof. The Trustee may act upon the opinion or advice of any attorney (who may be the attorney or attorneys for the Issuer or the Company), approved by the Trustee in the exercise of reasonable care. The Trustee shall not be responsible for any loss or damage resulting from any action taken or not taken in good faith in reliance upon such opinion or advice. The Trustee shall, however, be responsible for loss or damage resulting from any negligence or willful default on its part.

(b) Except for its certificate of authentication on the Notes, the Trustee shall not be responsible for any recital herein or in the Notes, or for the validity, priority, recording or rerecording, filing or refiling of this Indenture or the Agreement or the Mortgage or the FHA Loan Documents or any financing statements, amendments thereto or continuation statements, or for insuring the Project or collecting any insurance moneys, or for the validity of the execution by the Issuer of this Indenture or of any supplements thereto or instruments of further assurance, or for the sufficiency of the security hereof. The Trustee shall not be bound to ascertain or inquire as to the performance or observance of any covenants, conditions or agreements on the part of the Issuer or on the part of the Company under the Agreement, except as hereinafter set forth; but the Trustee may require of the Issuer or the Company full information and advice as to the performance of the covenants, conditions and agreements aforesaid. Except as otherwise provided in Section 6.03 hereof, the Trustee shall have no obligation to perform any of the duties of the Issuer under the Agreement.

(c) The Trustee shall not be accountable for the application by the Company of the proceeds of any Notes authenticated or delivered hereunder.

(d) The Trustee shall be protected in acting upon any notice, request, consent, certificate, order, affidavit, letter, telegram or other paper or document believed to be genuine and correct and to have been signed or sent by the proper person or persons. Any action taken by the Trustee pursuant to this Indenture upon the request or authority or consent of any person who at the time of making such request or giving such authority or consent is the holder of any Notes, shall be conclusive and binding upon all future holders of the same Note and of Notes issued in exchange therefor or in place thereof.

(e) As to the existence or nonexistence of any fact or as to the sufficiency or validity of any instrument, paper or proceeding, the Trustee shall be entitled to rely upon a certificate signed on behalf of the Issuer or the Company by an authorized officer thereof as sufficient evidence of the facts therein contained, and, prior to the occurrence of a default of which the Trustee has been notified as provided in paragraph (g) of this Section, or of which by said paragraph it is deemed to have notice, shall also be entitled to rely upon a similar certificate to the effect that any particular dealing, transaction or action is necessary or expedient, but may at its discretion obtain such further evidence deemed necessary or advisable, but shall in no case be bound to secure the same. The Trustee may accept a certificate of an officer, or an assistant thereto, having charge of the appropriate records to the effect that legislation or any resolution in the form therein set forth has been adopted by the Legislative Authority of the Issuer or by the general partners of the Company, as conclusive evidence that such legislation or resolution has been duly adopted and is in full force and effect.

(f) The permissive right of the Trustee to do things enumerated in this Indenture shall not be construed as a duty and the Trustee shall not be answerable for other than its negligence or willful default.

(g) The Trustee shall not be required to take notice or be deemed to have notice of any default hereunder, except events of default described in paragraphs (a) and (b) of Section 6.01 hereof, unless the Trustee shall be specifically notified by writing delivered to it of such

default by the Issuer or the Company or by the holders of at least twenty-five percent in aggregate principal amount of Notes then outstanding, and in the absence of such notice so delivered the Trustee may conclusively assume there is no default except as aforesaid.

(h) The Trustee shall not be personally liable for any debts contracted, or for injury or damage to persons or to personal property, or for salaries or nonfulfillment of contracts, relating to the Project.

(i) At any and all reasonable times the Trustee, and its duly authorized agents, attorneys, experts, engineers, accountants and representatives shall have the right fully to inspect the Project and any and all books, papers and records of the Issuer pertaining to the Project and the Notes, and to take such memoranda from and in regard thereto as may be desired.

(j) The Trustee shall not be required to give any bond or surety in respect of the execution of the said trusts and powers or otherwise in respect of the premises.

(k) Notwithstanding anything elsewhere in this Indenture contained, the Trustee shall have the right, but shall not be required, to demand, in respect of the authentication of any Notes, the withdrawal of any cash, the release of any property, or any action whatsoever within the purview of this Indenture, any showings, certificates, opinions, appraisals or other information, or corporate action or evidence thereof, in addition to that by the terms hereof required as a condition of such action by the Trustee, deemed desirable for the purpose of establishing the right of the Issuer to the authentication of any Notes, the withdrawal of any cash, the release of any property, or the taking of any other action by the Trustee.

(l) Before taking action under Article VI or Section 5.04 hereof, the Trustee may require that a satisfactory indemnity bond be furnished for the reimbursement of all expenses to which it may be put and to protect it against all liability, except liability which is adjudicated to have resulted from its negligence or willful default by reason of any action so taken.

(m) Unless otherwise provided herein, all moneys received by the Trustee under this Indenture shall, until used or applied or invested as herein provided, be held in trust for the purposes for which they were received but need not be segregated from other funds except to the

extent required by this Indenture or by law. The Trustee shall not be under liability for interest on any moneys received hereunder except such as may be agreed upon with the Issuer or the Company.

(n) The Trustee shall at all times maintain its status as an FHA-approved mortgagee and shall perform all of its duties and functions under this Indenture in a matter consistent with the FHA Regulations.

Section 5.02 Fees, Charges and Expenses of Trustee, Mortgage Servicer and Paying Agents. Subject to the provisions of Section 4.05 hereof, the Trustee shall be entitled to payment of reasonable fees for its Ordinary Services rendered hereunder, together with reimbursement for all advances, counsel fees and other Ordinary Expenses reasonably and necessarily made or incurred by the Trustee in connection with such Ordinary Services and, in the event that it should become necessary that the Trustee perform Extraordinary Services, it shall be entitled to reasonable extra compensation therefor, and to reimbursement for reasonable and necessary Extraordinary Expenses in connection therewith; provided, that if such Extraordinary Services or Extraordinary Expenses are occasioned by the neglect or misconduct of the Trustee, it shall not be entitled to compensation or reimbursement therefor. The Trustee and any Paying Agent shall also be entitled to payment and reimbursement, but only from the applicable Construction Fund or from the Additional Payments by the Company pursuant to the Agreement or from Pledged Receipts available therefor, for their reasonable fees and charges as Paying Agents.

Section 5.03 Notice to Noteholders if Default Occurs. If a default occurs of which the Trustee has, pursuant to this Indenture, notice, then the Trustee shall give written notice thereof to the last known holders of all Notes then outstanding as shown by the registration books maintained pursuant to Section 2.04 hereof.

Section 5.04 Intervention by Trustee. In any judicial proceeding to which the Issuer or the Company is a party and which in the opinion of the Trustee and its attorney has a substantial bearing on the interest of holders of the Notes, the Trustee may intervene on behalf of the Noteholders and shall do so if requested in writing by the holders of at least twenty-five percent in aggregate principal amount of Notes then outstanding. The rights and obligations of the Trustee under this Section are subject to the approval of such intervention by a court of competent jurisdiction.

Section 5.05 Successor Trustee. Any corporation or association into which the Trustee may be converted or merged, or with which it or any successor to it may be consolidated, or to which it may sell or transfer its assets and trust business as a whole or substantially as a whole, or any corporation or association resulting from any such conversion, sale, merger, consolidation or transfer to which it is a party, ipso facto, shall be and become successor Trustee hereunder and vested with all of the title to the trust estate hereunder and all the trusts, powers, discretions, immunities, privileges and all other matters as was its predecessor, without the execution or filing of any instrument or any further act on the part of any of the parties hereto, anything herein to the contrary notwithstanding; provided, however, that any such successor Trustee shall be a trust company, a bank or a banking association authorized to exercise corporate trust powers within the State, having a reported capital and surplus of not less than $25,000,000.

Section 5.06 Resignation by the Trustee. The Trustee may at any time resign from the trusts hereby created by giving sixty days' written notice thereof to the Issuer and to the Company and to the Original Purchaser of each series of Notes then outstanding, and by publishing such notice at least once in the same manner as provided for in the Note Legislation for the Project Notes for publication of notice of call for redemption, not less than 45 days before such resignation is to take effect, and such resignation shall take effect at the appointment of a successor Trustee by the Noteholders or by the Issuer and acceptance by the successor Trustee of such trusts.

Section 5.07 Removal of the Trustee. The Trustee may be removed at any time by an instrument or concurrent instruments in writing delivered to the Trustee, to the Issuer, and to the Company and signed by or on behalf of the holders of not less than one-half in aggregate principal amount of Notes then outstanding.

Section 5.08 Appointment of Successor Trustee. In case the Trustee hereunder shall resign or be removed, or be dissolved, or otherwise become incapable of acting hereunder, or in case it shall be taken under the control of any public officer or officers, or of a receiver appointed by a court, a successor shall be appointed by the Issuer with the written consent of the Company; provided that if a successor Trustee is not so appointed within ten days after notice of resignation is mailed or instrument of removal is delivered as provided in Sections 5.06 and 5.07, respectively, or within ten days after the Trustee is dissolved, taken under control or otherwise incapable of action as above provided, then the holders of a

majority in aggregate principal amount of Notes then outstanding, by an instrument or concurrent instruments in writing signed by or on behalf of such holders, may designate a successor Trustee. Every such successor Trustee appointed pursuant to the provisions of this Section shall be a trust company, a bank or a banking association in good standing, duly authorized to exercise corporate trust powers within the State, having a reported capital and surplus of not less than $25,000,000, shall be an FHA approved mortgagee and shall be willing to accept the trusteeship under the terms and conditions of this Indenture.

Section 5.09 Concerning Any Successor Trustee. Every successor Trustee appointed hereunder shall execute, acknowledge and deliver to its predecessor and also to the Issuer and the Company, an instrument in writing accepting such appointment hereunder, and thereupon such successor without any further act shall become fully vested with all the rights, powers, trusts, duties and obligations of its predecessor; but such predecessor shall, nevertheless, on the written request of its successor or the Issuer, execute and deliver an instrument transferring to such successor Trustee all the estates, properties, rights, powers and trusts of such precedessor hereunder, and shall duly assign, transfer and deliver all property, securities and moneys held by it as Trustee to its successor. Should any instrument in writing from the Issuer be required by any successor Trustee for more fully and certainly vesting in such successor the rights, powers and duties hereby vested or intended to be vested in the predecessor, any and all such instruments in writing shall, on request, be executed, acknowledged and delivered by the Issuer.

Section 5.10 Successor Trustee as Custodian of Funds, Note Registrar and Paying Agent. In the event of a change in the office of Trustee, the precedessor Trustee which has resigned or been removed shall cease to be custodian of any funds it may hold pursuant to the Indenture, and cease to be Note Registrar and Paying Agent for any of the Notes, and the successor Trustee shall become such custodian, Note Registrar and Paying Agent.

Section 5.11 Adoption of Authentication. In case any of the Notes contemplated to be issued hereunder shall have been authenticated but not delivered, any successor Trustee may adopt the certificate of authentication of the original Trustee or of any successor of it as Trustee hereunder and deliver the said Notes so authenticated as hereinbefore provided; and in case any of such Notes shall not have been authenticated, any successor Trustee may authenticate such Notes either in the name of any predecessor or in its own name. In all such cases such certificate of authentication shall have the same force and effect as provided in the Notes or in this Indenture with respect to the certificate of authentication of the Trustee.

Section 5.12 Trustee Protected in Relying Upon Instruments. Legislation, resolutions, opinions, certificates and other instruments provided for in this Indenture may be accepted by the Trustee as conclusive evidence of the facts and conclusions stated therein and shall be full warrant, protection and authority to the Trustee for its actions taken hereunder.

Section 5.13 Designation and Succession of Paying Agents. The Trustee and the other banks or trust companies, if any, designated as Paying Agent or Paying Agents in the Note Legislation pertaining to a particular series of Notes shall be the Paying Agent or Paying Agents for the applicable series of Notes, and in the absence of such designation the Trustee shall be the sole Paying Agent.

Any bank or trust company with or into which any Paying Agent other than the Trustee may be merged or consolidated, or to which the assets and business of such Paying Agent may be sold, shall be deemed the successor of such Paying Agent for the purposes of this Indenture. If the position of such Paying Agent shall become vacant for any reason, the Issuer shall, within thirty days thereafter, appoint a bank or trust company located in the same city as such Paying Agent to fill such vacancy; provided, however, that if the Issuer shall fail to appoint such Paying Agent within said period, the Trustee shall make such appointment.

The Paying Agents shall enjoy the same protective provisions in the performance of their duties hereunder as are specified in Section 5.01 hereof with respect to the Trustee, insofar as such provisions may be applicable.

Section 5.14 Dealing in Notes. The Trustee and Paying Agents and any of their directors, officers, employees or agents, may in good faith become the owners of Notes and coupons secured hereby with the same rights which it or they would have hereunder if not the Trustee or Paying Agent.

Section 5.15 No Transfer of FHA Note or Supplemental Note held by the Trustee. Except as required to effect an assignment to a successor trustee, or to cause the delivery of the FHA note to GNMA pursuant to Section 4.02 hereof or in the event of default under the Agreement or this Indenture the Trustee shall not sell, assign, pledge or transfer the FHA Note or Supplemental Note held by it, except that the Trustee may surrender the FHA Note to FHA in exchange for cash payments following a default by the Company pursuant to the terms of the FHA Loan Documents, and the Trustee is authorized to enter into an agreement with the Company to such effect.

Section 5.12 Trustee Protected in Relying Upon Instruments. Legislation, resolutions, opinions, certificates and other instruments provided for in this Indenture may be accepted by the Trustee as conclusive evidence of the facts and conclusions stated therein and shall be full warrant, protection and authority to the Trustee for its actions taken hereunder.

Section 5.13 Designation and Succession of Paying Agents. The Trustee and the other banks or trust companies, if any, designated as Paying Agent or Paying Agents in the Note Legislation pertaining to a particular series of Notes shall be the Paying Agent or Paying Agents for the applicable series of Notes, and in the absence of such designation the Trustee shall be the sole Paying Agent.

Any bank or trust company with or into which any Paying Agent other than the Trustee may be merged or consolidated, or to which the assets and business of such Paying Agent may be sold, shall be deemed the successor of such Paying Agent for the purposes of this Indenture. If the position of such Paying Agent shall become vacant for any reason, the Issuer shall, within thirty days thereafter, appoint a bank or trust company located in the same city as such Paying Agent to fill such vacancy; provided, however, that if the Issuer shall fail to appoint such Paying Agent within said period, the Trustee shall make such appointment.

The Paying Agents shall enjoy the same protective provisions in the performance of their duties hereunder as are specified in Section 5.01 hereof with respect to the Trustee, insofar as such provisions may be applicable.

Section 5.14 Dealing in Notes. The Trustee and Paying Agents and any of their directors, officers, employees or agents, may in good faith become the owners of Notes and coupons secured hereby with the same rights which it or they would have hereunder if not the Trustee or Paying Agent.

Section 5.15 No Transfer of FHA Note or Supplemental Note held by the Trustee. Except as required to effect an assignment to a successor trustee, or to cause the delivery of the FHA note to GNMA pursuant to Section 4.02 hereof or in the event of default under the Agreement or this Indenture the Trustee shall not sell, assign, pledge or transfer the FHA Note or Supplemental Note held by it, except that the Trustee may surrender the FHA Note to FHA in exchange for cash payments following a default by the Company pursuant to the terms of the FHA Loan Documents, and the Trustee is authorized to enter into an agreement with the Company to such effect.

Section 5.16 Execution of Additional Documents. The Trustee is authorized and directed to execute and deliver such other documents and instruments as may be necessary to secure the Notes issued hereunder or to effect the endorsement for insurance upon advances by FHA and the final endorsement by FHA of the FHA Note or to better define, clarify or set forther the duties, rights and obligations of the Trustee, the Mortgage Servicer, the Company and the Lender. In particular, without limiting the generality of the foregoing, the Trustee is authorized and directed to enter into a Servicing Agreement with the Mortgage Servicer and the Company, pursuant to which the relative rights, duties and obligations (including the obligation of the Company to pay, or provide for payment of certain fees and expenses of the Mortgage Servicer) of the parties thereto are set forth with respect to the servicing and administration of the Loan by the Mortgage Servicer.

Section 5.17 Purchase of FHA Note, Mortgage and Related Documents. In order to effect the purchase by GNMA of the FHA Note, Mortgage and FHA Loan Documents following final endorsement of the FHA Note for insurance by FHA, the Trustee is authorized to make any such transfer or assignments of the FHA Note, Mortgage and related documents as may be approved by FHA and GNMA, including, without implied limitation (and subject to any applicable requirements of FHA regulations and Chapter 6 of the GNMA Sellers Guide) a direct assignment to GNMA or an assignment to any GNMA approved Seller/Servicer, including the Mortgage Servicer.

End of Article V

ARTICLE VI

DEFAULT PROVISIONS AND REMEDIES OF TRUSTEE AND BONDHOLDERS

Section 6.01 Defaults; Events of Default. If any of the following events occur, subject to the provisions of Section 6.10 hereof, it is hereby defined as and declared to be and to constitute an "event of default" hereunder:

(a) Failure to pay any interest on any Project Note when and as the same shall have become due and payable;

(b) failure to pay the principal of or any premium on any Project Note when and as the same shall become due and payable, whether at stated maturity or by acceleration or by mandatory or optional redemption; or

(c) the occurrence of an event of default pursuant to the terms of any of the FHA Loan Documents, or pursuant to the regulations promulgated by FHA relating to projects to be insured pursuant to Section 221(d)(4) of the National Housing Act of 1934, as amended.

The term "default" hereunder means any event specified in clauses (a), (b) or (c), inclusive, of this Section or in clauses (a) or (b) of Section 9.1 of the Agreement, in each case exclusive of any notice or period of grace required to constitute such default an "event of default" as therein provided.

If an event of default shall occur, the Trustee shall within five days after knowledge of such event of default, give written notice, by registered or certified mail, of such event of default to the Issuer, the Company and the Original Purchaser and shall also give any additional notices required by, and in the form and manner as may be specified by, the FHA Loan Documents.

Section 6.02 Acceleration. Upon the occurrence of any event of default as defined in Section 6.01 hereof, the Trustee may and upon the written request of the holders of at least a majority in aggregate principal amount of Notes then outstanding shall (a) by notice in writing delivered to the Issuer, declare the principal of all Notes then outstanding (if not then due and payable) and the interest accrued thereon to be due and payable immediately and, upon said declaration, such principal and any premium and interest shall become and be immediately due and payable (subject, however, to the provisions of Section 6.11 hereof), (b) cause the Issuer to

declare all Loan Payments to be immediately due and payable pursuant to Section 9.2(a) of the Agreement, and (c) immediately exercise such rights as it may have as the holder of the FHA Note or FHA Notes for the benefit of the Noteholders, including without limitation, if applicable, the right to accelerate all payments of principal of, premium (if any) and interest on the FHA Note or FHA Notes. Pursuant to such acceleration, interest on the Notes shall accrue to the date determined by the Trustee for the tender of payment to the Noteholders pursuant to such declaration of acceleration.

Except where the event of default results from the failure of the Company to make a Loan Payment at or before the time and in amount adequate, as determined at the time of payment, to meet the requirements of Section 2.1 of the Agreement, the provisions of the above paragraph are subject to the condition that if, at any time after such principal and any premium and interest shall have been so declared due and payable and prior to (a) the entry of a judgment in a court of law or equity for enforcement hereunder or (b) the appointment, and the confirmation thereof, of a receiver after an opportunity for hearing by the Issuer and the Company, all sums payable hereunder except the principal of, and interest accrued after the next preceding Interest Payment Date on the Notes which have not reached their stated maturity dates and which are due and payable solely by reason of said declaration shall have been duly paid or provided for by deposit with the Trustee or Paying Agents and all existing defaults shall have been made good, including without limitation reasonable fees, charges and expenses of the Trustee and its counsel and of the holders of the Notes, including reasonable fees of counsel paid or incurred, then and in every such case such payment or provisions for payment shall ipso facto constitute a waiver of such default and its consequences and an automatic rescission and annulment of such declaration under the above paragraph, but no such waiver or rescission shall extend to or affect any subsequent event of default or impair any rights consequent thereon.

Upon the occurrence of an event of default under any of the FHA Loan Documents, the Trustee shall immediately give notice and assign the FHA Note and Mortgage to FHA in exchange for cash payment pursuant to the terms of the FHA Loan Documents and subject to all applicable FHA requirements. The Trustee shall not elect the optional foreclosure procedure permitted by FHA. If the Trustee is entitled to collect insurance benefits under the terms of the FHA Loan Documents, the Trustee shall take any and all action necessary, in the best interests of the Noteholders and in accordance with the FHA Loan Documents, to assure timely and full payment of the principal of and interest on the Notes. Upon the receipt of

the proceeds of the mortgage insurance, the Trustee shall apply the amounts received, together with all other moneys held by the Trustee under the Indenture, to payment of the Notes as provided in Section 6.06 hereof.

Section 6.03 Other Remedies; Rights of Noteholders. Upon the happening and continuance of an event of default the Trustee may, with or without taking action under Section 6.02 hereof, pursue any available remedy, including without limitation actions at law or in equity, to enforce the payment of Note service charges or to remedy any event of default.

Upon the happening and continuance of an event of default, and if requested so to do by the holders of at least a majority in aggregate principal amount of Notes then outstanding and being indemnified, at its option, as provided in Section 5.01 hereof, the Trustee shall exercise such of the rights and powers conferred by this Section and by Section 6.02 as the Trustee, being advised by counsel, shall deem most effective to enforce and protect the interests of the Noteholders.

No remedy conferred upon or reserved to the Trustee (or to the Noteholders) hereby is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to any other remedy given to the Trustee or to the Noteholders hereunder or now or hereafter existing.

No delay or omission to exercise any right or power accruing upon any default or event of default shall impair any such right or power or shall be construed to be a waiver of any such default or event of default or acquiesence therein; and every such right and power may be exercised from time to time and as often as may be deemed expedient.

No waiver of any default or event of default hereunder, whether by the Trustee or by the Noteholders, shall extend to or shall affect any subsequent default or event of default or shall impair any rights or remedies consequent thereon.

The Trustee, as the assignee of all right, title and interest of the Issuer in and to the Agreement, shall enforce each and every right granted to the Issuer under the Agreement subject to section 5.01 (f) hereof. In exercising such rights and the rights given the Trustee under this Article VI, the Trustee shall take such action as, in the judgment of the Trustee, applying the standards described in Section 5.01 hereof, would best serve the interests of the Noteholders.

Section 6.04 Right of Noteholders to Direct Proceedings. Anything in this Indenture to the contrary notwithstanding, the holders of a majority in aggregate principal amount of Notes then outstanding shall have the right at any time, by an instrument or instruments in writing executed and delivered to the Trustee, to direct the method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of this Indenture, or for the appointment of a receiver or any other proceedings hereunder; provided, that such direction shall not be otherwise than in accordance with the provisions of law and of this Indenture, and provided that the Trustee shall be indemnified to its satisfaction.

Section 6.05 Appointment of Receivers. Upon the occurrence of an event of default, and upon the filing of a suit or other commencement of judicial proceedings to enforce the rights of the Trustee and of the Noteholders under this Indenture, the Agreement, the Assignment, the Mortgage and the Note, the Trustee shall be entitled, as a matter of right, to the appointment of a receiver or receivers of the Pledged Receipts, pending such proceedings, with such power as the court making such appointment shall confer.

Upon the occurrence of an event of default, to the extent such rights may then lawfully be waived, neither the Issuer, nor the Company, nor anyone claiming through or under either of them, shall set up, claim, or seek to take advantage of any stay, extension, moratorium or redemption laws now or hereafter in force, in order to prevent or hinder the enforcement of this Indenture, but the Issuer, for itself and all who may claim through or under it, hereby waives, to the extent it may lawfully do so, the benefit of all such laws and all right of redemption to which it may be entitled.

Section 6.06 Application of Moneys. All moneys received by the Trustee or a receiver pursuant to any right given or action taken under the provisions of this Article shall, subject to any provision made pursuant to Sections 3.04 or 4.02 hereof, after payment of the fees, charges, costs, expenses, liabilities and advances incurred by the Trustee or receiver, be deposited in the Project Note Fund and all moneys in the Project Note Fund shall be applied as follows:

(a) Unless the principal of all the Notes shall have become or have been declared due and payable, all such moneys shall be applied:

First--To the payment to the persons entitled thereto of all installments of interest then due on the Notes, in the order of maturity of the installments of such interest beginning with the earliest such maturity and, if the amount available shall not be sufficient to pay in full any particular installment, then to the payment thereof ratably, according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or privilege except as to any difference in the respective rates of interest specified in the Notes; and

Second--To the payment to the persons entitled thereto of the unpaid principal of any of the Notes which shall have become due (other than Notes previously called for redemption for the payment of which moneys are held pursuant to the provisions of this Indenture) whether at maturity or by call for redemption, in the order of their due dates and beginning with the earliest such due date, with interest on such Notes from the respective dates upon which they became due and if the amount available shall not be sufficient to pay in full all Notes due on any particular date, together with such interest, then to the payment thereof ratably, according to the amount of principal due on such date, to the persons entitled thereto without any discrimination or privilege.

(b) If the principal of all the Notes shall have become due or shall have been declared due and payable pursuant to this Article, all such moneys shall be applied to the payment of the principal and interest then due and unpaid upon the Notes, without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any Note over any other Note, ratably, according to the amounts due respectively for principal and interest, to the persons entitled thereto without any discrimination or privilege except as to any difference in the respective rates of interest specified in the Notes.

(c) If the principal of all the Notes shall have been declared due and payable pursuant to this Article, and if such declaration shall thereafter have been rescinded and annulled under the provisions of Sections 6.02 and 6.10 hereof, then, subject to the provisions of paragraph (b) of this Section in the event that the principal of all the Notes shall later become due or be declared due and payable, the moneys shall be applied in accordance with the provisions of paragraph (a) of this Section.

Whenever moneys are to be applied pursuant to the provisions of this Section, such moneys shall be applied at such times, and from time to time, as the Trustee shall determine, having due regard to the amount of such moneys available for application and the likelihood of additional moneys becoming available for such application in the future. Whenever the Trustee shall apply such funds, it shall fix the date (which shall be an Interest Payment Date unless it shall deem another date more suitable) upon which such application is to be made and upon such date interest on the amounts of principal to be paid on such dates, and for which moneys are available, shall cease to accrue. The Trustee shall give notice as it may deem appropriate of the deposit with it of any moneys and of the fixing of any such date, and shall not be required to make payment to the holder of any unpaid coupon or any Note until such coupon or such Note and all unmatured coupons, if any, appertaining to such Note shall be presented to the Trustee for appropriate endorsement or for cancellation if fully paid.

The provisions of this Section are in all respects subject to the provisions of Section 4.03 hereof.

Whenever all Notes and interest thereon have been paid under the provisions of this Section and all fees, expenses and charges of the Trustee and Paying Agents and all other expenses payable under the Indenture have been paid, any balance remaining in the Project Note Fund shall be paid as provided in Section 4.08 hereof.

Section 6.07 Remedies Vested in Trustee. All rights of action (including the right to file proof of claims) under this Indenture or under any of the Notes or coupons may be enforced by the Trustee without the possession of any of the Notes or coupons or the production thereof in any trial or other proceeding relating thereto and any such suit or proceeding instituted by the Trustee shall be brought in its name as Trustee without the necessity of joining as plaintiffs or defendants any holders of the Notes, and any recovery of judgment shall be for the benefit of the holders of the outstanding Notes and coupons, subject, however, to the provisions of this Indenture.

Section 6.08 Rights and Remedies of Noteholders. No holder of any Note or coupon shall have any right to institute any suit, action or proceeding for the enforcement of this Indenture or for the execution of any power or trust thereof or for the appointment of a receiver or any other remedy hereunder, unless an event of default hereunder has occurred and is continuing, of which the Trustee has been notified as

provided in Section 5.01(g), or of which by said paragraph it is deemed to have notice, and the holders of at least a majority in aggregate principal amount of Notes then outstanding shall have made written request to the Trustee and shall have afforded the Trustee reasonable opportunity to proceed to exercise the powers or trusts hereinbefore granted or to institute such action, suit or proceeding in its own name, and have offered to the Trustee indemnity as provided in Section 5.01, and the Trustee shall thereafter fail or refuse to exercise the powers or trusts hereinbefore granted or to institute such action, suit or proceeding in its own name; and such notification, request and offer of indemnity are hereby declared in every case at the option of the Trustee to be conditions precedent to the execution of the powers and trusts of this Indenture, and to any action or cause of action for the enforcement of this Indenture, or for the appointment of a receiver or for any other remedy hereunder; it being understood and intended that no one or more holders of the Notes or coupons shall have any right in any manner whatsoever to affect, disturb or prejudice the lien of this Indenture by its, his, or their action or to enforce any right hereunder except in the manner herein provided and that proceedings shall be instituted, had and maintained in the manner herein provided and for the benefit of the holders and owners of all Notes then outstanding; provided, however that nothing contained in this Indenture shall be deemed to grant any right to the holder of any Note or the bearer of any coupon to the enforcement of the Trustee's right to collect insurance from FHA, except in the manner stated in the FHA Loan Documents. Subject to the foregoing, each Noteholder shall have a right of action to enforce the payment of the principal of and interest on any Note held or owned by him at and after the maturity thereof at the place, from the sources and in the manner in said Note expressed.

Section 6.09 Termination of Proceedings. In case the Trustee shall have proceeded to enforce any right under this Indenture by the appointment of a receiver, by entry or otherwise, and such proceeding shall have been discontinued or abandoned for any reason, or shall have been determined adversely, then and in every such case the Issuer, the Trustee and the Noteholders shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies and powers of the Trustee shall continue unimpaired as before.

Section 6.10 Waivers of Events of Default. At any time, the Trustee may in its discretion waive any event of default hereunder and its consequences and rescind any declaration of maturity of principal, and shall do so upon the written request of the holders of (1) at least a majority in aggregate principal amount of all the Notes then outstanding in

respect of which an event of default in the payment of Note service charges exists, or (2) at least twenty-five percent in aggregate principal amount of all Notes then outstanding in case of any other event of default; provided, however, that there shall not be waived any event of default described in paragraphs (a) or (b) of Section 6.01 hereof or any such declaration in connection therewith rescinded, unless at the time of such waiver or rescission payment of the amounts provided in Section 6.02 hereof for waiver and automatic rescission in connection with acceleration of maturity have been made or provided for. In case of any such waiver or rescission, or in case any proceeding taken by the Trustee on account of any such event of default shall have been discontinued or abandoned or determined adversely, then and in every such case the Issuer, the Trustee and the Noteholders shall be restored to their former positions and rights hereunder respectively, but no such waiver or rescission shall extend to any subsequent or other event of default, or impair any right consequent thereon.

Section 6.11 Options with Respect to Payment.

(a) With respect to the events of default described in Section 6.01 and while any such default or defaults shall be continuing, unless the principal of all outstanding Notes and the interest accrued thereon shall have already become due and payable, the Trustee shall proceed as follows:

(i) if the aggregate amount held in all funds shall be sufficient to pay the redemption price of and accrued interest to the redemption date on all of the then outstanding Notes and all expenses of the Issuer accrued and to accrue to such redemption date, all amounts in all funds shall be transferred to the Note Fund and the Trustee shall, by notice in writing to the Issuer and the Company, declare the principal of all of the outstanding Notes, and the interest accrued thereon, to be due and payable immediately, and upon such declaration, the same shall become and shall be immediately due and payable, anything in this Indenture or in the Notes contained to the contrary notwithstanding;

(ii) if the aggregate amounts held in all funds shall be insufficient to pay the redemption price of and accrued interest to the maturity date of the then outstanding Notes and all expenses of the Issuer accrued and to accrue to such date, and the Trustee can invest such amounts, together with all other amounts which it will hold in any such funds, at a rate of interest sufficiently in excess of

the rate of interest on the then outstanding Notes to permit the Trustee to pay all expenses of the Issuer accrued and to accrue to said maturity date and to increase the amount of funds available to pay the redemption price of and interest accrued and to accrue on the then outstanding Notes to such date, then the Trustee shall so invest such amounts and hold the same and the investment income earned thereon in trust hereunder until (A) the Trustee shall hold sufficient amounts in the funds to declare the principal of all the outstanding Notes, and the interest accrued thereon, to be due and payable in accordance with clause (i) above or (B) said maturity date; or

(iii) if the aggregate amounts held in all funds shall be insufficient to pay the redemption price of and accrued interest to the maturity date on the then outstanding Notes and all expenses of the Issuer accrued and to accrue to such date, and the Trustee cannot invest such amounts, together with all other amounts which it will hold in any such funds at a rate of interest sufficiently in excess of the rate of interest on the then outstanding Notes to permit the Trustee to pay all expenses of the Issuer accrued and to accrue to said maturity date and to increase the amount of funds available to pay the redemption price of and interest accrued and to accrue on the then outstanding Notes to such date, then the Trustee shall, by notice in writing to the Issuer and the Company, declare the principal of all of the outstanding Notes, and the interest accrued thereon, to be due and payable immediately, and upon such declaration, the same shall become and shall be immediately due and payable, anything in this Indenture or in the Notes contained to the contrary notwithstanding.

End of Article VI

ARTICLE VII

SUPPLEMENTAL INDENTURES

Section 7.01 Supplemental Indentures Not Requiring Consent of Noteholders. The Issuer and the Trustee may without the consent of, or notice to, any of the Noteholders, enter into indentures supplemental to this Indenture and financing statements or other instruments evidencing the existence of a lien and/or security interests as shall not, in the opinion of the Issuer and the Trustee, be inconsistent with the terms and provisions hereof for any one or more of the following purposes:

(a) To cure any ambiguity, inconsistency or formal defect or omission in the Indenture;

(b) To grant to or confer upon the Trustee for the benefit of the Noteholders any additional rights, remedies, powers, or authority that may lawfully be granted to or conferred upon the Noteholders or the Trustee;

(c) To subject additional revenues, additional Notes or interests in real or personal property to the liens and pledge of the Indenture;

(d) To add to the covenants and agreements of the Issuer contained in the Indenture other covenants and agreements thereafter to be observed for the protection of the Noteholders, or to surrender or limit any right, power or authority reserved to or conferred upon the Issuer in the Indenture, including the limitation of rights of redemption so that in certain instances Notes of different series will be redeemed in some prescribed relationship to one another;

(e) To evidence any succession to the Issuer and the assumption by such successor of the covenants and agreements of the Issuer contained in the Indenture, the Agreement and the Notes and;

(f) To modify, amend or supplement the Indenture in such manner as to permit the qualification thereof under the Trust Indenture Act of 1939, as amended, or to comply with any similar requirements of any other law.

Section 7.02 Supplemental Indentures Requiring Consent of Noteholders. Exclusive of supplemental indentures referred to in Section 7.01 hereof and subject to the terms and provisions and limitations contained in this Section, and not otherwise, the holders of not less than 66-2/3% in aggregate principal amount of the Notes then outstanding shall have the right, from time to time, anything contained in any other Section or provision of this Indenture to the contrary notwithstanding, to consent to and approve the execution by the Issuer and the Trustee of such other indenture or indentures supplemental to the Indenture as shall be deemed necessary and desirable by the Issuer for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in the Indenture; provided, however, that nothing in this Section or elsewhere shall permit, or be construed as permitting, a supplemental indenture providing for (a) an extension of the maturity of the principal or of the interest on any Note, or a reduction in the principal amount of any Note or the rate of interest or redemption premium thereon, or a reduction in the amount or extension of the time of any payment required by any mandatory sinking fund requirements provided for in the Note Legislation, without the consent of the holder of each Note so affected, or (b) a privilege or priority of any Note or Notes over any other Note or Notes, or a reduction in the aggregate principal amount of the Notes required for consent to such supplemental indenture, without the consent of the holders of all of the then outstanding Notes.

If at any time the Issuer shall request the Trustee to enter into any such supplemental indenture for any of the purposes of this Section, the Trustee shall, if any coupon Notes are at the time outstanding, upon being satisfactorily indemnified with respect to expenses, cause notice of the proposed execution of such supplemental indenture to be published as shall be requested by the Issuer and in any event at least one time (a) in a newspaper of general circulation within the boundaries of the State and (b) in a newspaper or financial journal of general circulation published in the City and State of New York. If because of temporary or permanent suspension of publication or of general circulation, or for any other reason, it is impossible or impractical to publish such notice in the manner herein provided, then such publication in lieu thereof as shall be made with the approval of the Trustee shall constitute a sufficient publication of notice. On or before the date of the first publication of such notice, the Trustee shall also cause a similar notice to be mailed by first-class mail, postage prepaid, to the Original Purchaser of each series of Notes, to all registered holders of Notes then outstanding at their addresses as they appear on the

registration books herein provided for, and to all other Noteholders whose names and addresses appear on the list of Noteholders provided for in Section 9(f) of the Note Legislation authorizing the Project Notes. The Trustee shall not, however, be subject to any liability to any Noteholder by reason of its failure to mail, or the failure of such Noteholder to receive, the notice required by this Section, and any such failure shall not affect the validity of such supplemental indenture when consented to and approved as provided in this Section. Such notice shall briefly set forth the nature of the proposed supplemental indenture and shall state that copies thereof are on file at the office of the Trustee for inspection by all Noteholders. Such notice or notices may be waived by an instrument or concurrent instruments executed by the holders or owners of all Notes at the time outstanding.

If within such period, not exceeding three years, as shall be prescribed by the Issuer, following the first publication of such notice, the Trustee shall receive an instrument or instruments purporting to be executed by the holders of not less than 66-2/3% in aggregate principal amount of the Notes then outstanding, which instrument or instruments shall refer to the proposed supplemental indenture described in such notice and shall specifically consent to and approve the execution thereof in substantially the form of the copy thereof referred to in such notice as on file with the Trustee, thereupon, but not otherwise, the Trustee shall execute such supplemental indenture in substantially such form, without liability or responsibility to any holder of any Note, whether or not such holder shall have consented thereto.

Any such consent shall be binding upon the holder of the Note giving such consent and, anything in Section 9.01 hereof to the contrary notwithstanding, upon any subsequent holder of such Note and of any Note issued in exchange therefor (whether or not such subsequent holder has notice thereof), unless such consent is revoked by the holder of such Note giving such consent or by a subsequent holder thereof by filing with the Trustee, prior to the execution by the Trustee of such supplemental indenture, such revocation and, if such Note or Notes are transferable by delivery, proof that such Notes are held by the signer of such revocation in the manner permitted by Section 9.01. At any time after the holders of the required percentage of Notes shall have filed their consents to the supplemental indenture, the Trustee shall make and file with the Issuer a written statement that the holders of such required percentage of Notes have filed such consents. Such written statement shall be conclusive that such consents have been so filed.

If the holders of the required percentage in aggregate principal amount of the Notes outstanding shall have consented to and approved the execution thereof as herein provided, no holder of any Note shall have any right to object to the execution of such supplemental indenture, or to object to any of the terms and provisions contained therein or the operation thereof, or in any manner to question the propriety of the execution thereof, or to enjoin or restrain the Trustee or the Issuer from executing the same or from taking any action pursuant to the provisions thereof.

Section 7.03 Consent of the Company. Anything herein to the contrary notwithstanding, a supplemental indenture under this Article VII which affects any rights or obligations of the Company shall not become effective unless and until the Company shall have consented in writing to the execution and delivery of such supplemental indenture. In this regard, the Trustee shall cause notice of the proposed execution and delivery of any supplemental indenture together with a copy of the proposed supplemental indenture to be mailed as provided in Section 9.04 hereof to the Company at least ten days before the date of its proposed execution and delivery in the case of a supplemental indenture referred to in Section 7.01 hereof, and not later than five days after the first publication of the notice of the proposed execution and delivery in the case of a supplemental indenture provided for in Section 7.02 hereof.

Section 7.04 Authorization to Trustee; Effect of Supplement. The Trustee is authorized to join with the Issuer in the execution of any supplemental indenture provided for in this Article and to make the further agreements and stipulations which may be contained therein. Any supplemental indenture executed in accordance with the provisions of this Article shall thereafter form a part of the Indenture; all the terms and conditions contained in any such supplemental indenture as to any provision authorized to be contained therein shall be deemed to be part of the terms and conditions of the Indenture for any and all purposes; this Indenture shall be and be deemed to be modified and amended in accordance therewith; and the respective rights, duties and obligations under this Indenture of the Issuer, the Company, the Trustee, Paying Agents and all holders of Notes then outstanding shall thereafter be determined, exercised and enforced thereunder, subject in all respects to such modifications and amendments. Express reference to such executed supplemental indenture may be made in the text of any Notes issued thereafter, if deemed necessary or desirable by the Trustee or the Issuer. A copy of any supplemental indenture provided for in this Article, except such as may be entered into pursuant to clause (g) of Section 7.01 hereof, shall be mailed by the Trustee to the Original Purchaser of each and every series of Notes affected thereby.

Section 7.05 Opinion of Counsel. The Trustee shall be entitled to receive, and shall be fully protected in relying upon, the opinion of any counsel approved by it, who may be counsel for the Issuer, as conclusive evidence that any such proposed supplemental indenture complies with the provisions of this Indenture, and that it is proper for the Trustee, under the provisions of this Article, to join in the execution of such supplemental indenture.

Section 7.06 Modification by Unanimous Consent. Notwithstanding anything contained elsewhere in this Indenture, the rights and obligations of the Issuer and of the holders of the Notes and coupons, and the terms and provisions of the Notes and coupons and this Indenture or any supplemental indenture, may be modified or altered in any respect with the consent of the Issuer and the consent of the holders of all of the Notes then outstanding and, if required by Section 7.03 hereof, the consent of the Company. Provided, however, that the Trustee shall not be obligated to enter into any supplemental indenture or other instrument which adversely affects the Trustee's own rights, duties or immunities under this Indenture or otherwise (except to the extent required in the case of a supplemental indenture entered into under Section 7.01(f) hereof.)

End of Article VII

ARTICLE VIII

DEFEASANCE

Section 8.01 Release of Indenture. If the Issuer shall pay or cause to be paid and discharged all the outstanding Notes and coupons appertaining thereto, or there shall otherwise be paid to the holders of the outstanding Notes and coupons all Note service charges due or to become due thereon, and provision shall also be made for paying all other sums payable hereunder by the Issuer or by the Company, then and in that event this Indenture (except for Sections 4.01, 4.02, 4.07 and 8.02 hereof) shall cease, determine and become null and void, and the covenants, agreements and other obligations of the Issuer hereunder shall be discharged and satisfied, and thereupon the Trustee shall release this Indenture, including the cancellation and discharge of the liens hereof, and execute and deliver to the Issuer such instruments in writing as shall be requisite to satisfy such liens and to enter on the records such satisfaction and discharge and such other instruments to evidence such release and discharge as may be reasonably required by the Issuer; and the Trustee and Paying Agents shall assign and deliver to the Issuer any property, other than the FHA Note or Supplemental Note, at the time subject to the lien of this Indenture which may then be in their possession, except amounts in the Project Note Fund required to be paid to the Company under Section 4.07 hereof, or to be held by the Trustee and Paying Agents under Section 4.02 hereof or otherwise for the payment of Note service charges.

Section 8.02 Payment and Discharge of Notes and Coupons. All the outstanding Notes and coupons of one or more series or of one or more maturities within any series shall be deemed to have been paid and discharged within the meaning of this Indenture, including, without limitation, Section 8.01 hereof, if:

(a) the Trustee and the Paying Agents shall hold, in trust for and irrevocably committed thereto, sufficient moneys, or

(b) the Trustee shall hold, in trust for and irrevocably committed thereto, direct obligations of or obligations guaranteed by, the United States certified by an independent public accounting firm of national reputation to be of such maturities and interest payment dates and to bear such interest as will, without further investment or reinvestment of either the principal amount

thereof or the interest earnings therefrom (likewise to be held in trust and committed, except as hereinafter provided), be sufficient together with moneys (if any) referred to in (a) above,

for the payment, at their maturities or redemption dates, of all Note service charges thereon to the date of maturity or redemption, as the case may be, or if default in such payment shall have occurred on such date then to the date of the tender of such payment; provided, that if any of such Notes are to be redeemed prior to the maturity thereof, notice of such redemption shall have been duly given or irrevocable provision satisfactory to the Trustee shall have been duly made for the giving of such notice. Any moneys held by the Trustee in accordance with the provisions of this Section may be invested by the Trustee, but only in direct obligations of, or obligations guaranteed by, the United States the maturities or redemption dates of which, at the option of the holder, shall coincide as nearly as practicable with, but not later than, the time or times at which said moneys will be required for the aforesaid purposes. Any income or interest earned by, or increment to, the investments held under this Section shall, to the extent determined from time to time by the Trustee to be in excess of the amount required to be held by it for the purposes of this Section, be transferred at the time of such determination as provided in Section 4.07 hereof for transfers of remaining amounts in the Project Note Fund. In the event of nonpresentment as referred to in Section 4.02 hereof, the moneys held pursuant to this Section to which Section 4.02 would apply but for the release of this Indenture shall be held and paid as provided for in said Section 4.02. Notes so paid and discharged shall thereafter be secured solely by the moneys and investments so deposited and held for their payment, and shall no longer be secured by the Pledged Receipts or a lien upon the Project, Project Site and FHA Note or FHA Notes, provided that if payment or provision therefor has been made in accordance with this Section 8.02 with respect to all the Notes of any series of Notes or of one or more maturities within any series, the Trustee shall cancel the pertinent installments of the principal sum thereof, in accordance with the provisions of Section 8.7 of the Agreement.

In the event that this Indenture is satisfied and discharged in accordance with the first paragraph of this Section and Section 8.01 hereof, the holders of any Notes then outstanding, the maturity or redemption dates thereof having not then arrived, shall have the right (to the extent that such will not result in insufficient moneys to pay Note service charges on other Notes and coupons at maturity or redemption) as of and on any Interest Payment Date to surrender said Notes

and all coupons, if any, appertaining thereto to a Paying Agent designated in such Notes, and, upon such surrender, to be paid the principal amount of any Note surrendered, plus the redemption premium, if any, held in accordance with this Section on account of the surrendered Note, plus interest accrued on any such Note so surrendered computed to such Interest Payment Date; provided that such right may be exercised only after the holders of any such Notes and coupons to be surrendered have given written notice to the Trustee, at least sixty days before the Interest Payment Date on which they request such payment, of their intent to so surrender the Notes and coupons for such payment and setting forth in such notice the Notes and coupons to be surrendered. If any Note or coupon as to which such notice of intent has been given is not surrendered on or before such Interest Payment Date, surrender thereof for payment need not be accepted for a period of one year from said date. The Trustee shall give notice within thirty days after such discharge and satisfaction of this Indenture, by one publication in the same manner as provided in Section 3 of the Note Legislation for the Project Notes for publication of notice of call for redemption, to the holders of such Notes and coupons provided for in this paragraph of their rights under this paragraph, and shall also mail a copy of such notice to all registered owners of then outstanding Notes at their addresses as they appear on the registration books provided for in Section 2.04 hereof and to holders of all other then outstanding Notes whose names and addresses appear on the list of Noteholders provided for in Section 9(f) of the Note Legislation for the Project Notes; provided that failure so to publish or mail any such notice shall not impose any liability on the Trustee nor affect the satisfaction and discharge of the Indenture.

End of Article VIII

ARTICLE IX

MISCELLANEOUS

Section 9.01 Instruments of Noteholders. Any consent, request, direction, approval, objection or other instrument required by the Indenture to be signed and executed by the Noteholders may be in any number of concurrent writings of similar tenor and may be signed or executed by such Noteholders in person or by agent appointed in writing. Proof of the execution of any such consent, request, direction, approval, objection or other instrument or of the writing appointing any such agent and of the ownership of Notes, if made in the following manner shall be sufficient for any of the purposes of this Indenture, and shall be conclusive in favor of the Trustee with regard to any action taken under such request or other instrument, namely:

(a) The fact and date of the execution by any person of any such writing may be proved by the certificate of any officer in any jurisdiction, who by law has power to take acknowledgments within such jurisdiction, that the person signing such writing acknowledged before him the execution thereof, or by affidavit of any witness to such execution.

(b) The fact of the holding by any person of Notes transferable by delivery or of coupons and the amounts and numbers of such Notes or coupons, and the date of the holding of the same, may be proved by a certificate executed by any trust company, bank or banker, wherever situated, stating that at the date thereof the party named therein did exhibit to an officer of such trust company or bank or to such banker, as the property of such party, the Notes and/or coupons therein mentioned, if such certificate shall be deemed by the Trustee to be satisfactory. The Trustee may, in its discretion, require evidence that such Notes or coupons have been deposited with a bank, banker or trust company before taking any action based on such ownership. In lieu of the foregoing the Trustee may accept other proofs of the foregoing as it shall deem appropriate. For all purposes of this Indenture and of the proceedings for the enforcement hereof, such person shall be deemed to continue to be the holder of such Note until the Trustee shall have received notice in writing to the contrary. The fact of ownership of Notes registered as to principal (except to bearer) shall be proved by the registration books maintained by the Note Registrar.

Nothing contained herein shall be construed as limiting the Trustee to such proof, it being intended that the Trustee may accept any other evidence of the matters herein stated which it deems to be sufficient. Any request or consent of the holder of any Note shall bind every future holder of the same Note, and any coupons appertaining thereto, in respect to anything done or suffered to be done by the Issuer, the Trustee or any Paying Agent in pursuance of such request or consent.

Section 9.02 Limitation of Rights. With the exception of rights herein expressly conferred, nothing expressed or mentioned in or to be implied from the Indenture or the Notes is intended or shall be construed to give to any person other than the parties hereto, the Company and the holders of the Notes and coupons, any legal or equitable right, remedy or claim under or in respect to this Indenture or any covenants, conditions and provisions herein contained; this Indenture and all of the covenants, conditions and provisions hereof being intended to be and being for the sole and exclusive benefit of the parties hereto, the Company and the holders of the Notes and coupons as herein provided.

Section 9.03 Severability. In case any clause, provision or section of this Indenture, or in case any covenant, stipulation, obligation, agreement, act, or action, or part thereof, made, assumed, entered into, or taken under this Indenture, or any application thereof, is for any reason held to be illegal, invalid or inoperable, such illegality or invalidity or inoperability shall not affect the remainder thereof or any other clause, provision or section of this Indenture or any other covenant, stipulation, obligation, agreement, act, or action, or part thereof, made, assumed, entered into, or taken under this Indenture, which shall at the time be construed and enforced as if such illegal or invalid or inoperable portion were not contained herein, nor shall such illegality or invalidity or inoperability or any application thereof affect any legal and valid and operable application from time to time, and each such section, provision, covenant, stipulation, obligation, agreement, act, or action, or part thereof, shall be deemed to be effective, operative, made, entered into or taken in the manner and to the full extent from time to time permitted by law.

Section 9.04 Notices. Except as provided in Section 6.01 hereof, it shall be sufficient service or giving of any notice, request, complaint, demand or other paper if the same shall be duly mailed by registered or certified mail, postage prepaid, addressed to the Notice Address of the recipeint. Duplicate copies of each notice, certificate or other communication given hereunder by the Issuer, Trustee, Mortgage Servicer or the Company to one or both of the others shall also

be given to the others. The Issuer, the Company, the Mortgage Servicer and the Trustee may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent, but no such notice shall thereby be required to be sent to more than two addresses.

Section 9.05 Payments Due on Sundays and Holidays. In any case where the date of maturity of interest on or principal of the Notes or the date fixed for redemption of any Notes shall be a Sunday or a day on which the Trustee or any Paying Agent is required, or authorized or not prohibited, by law (including executive orders) to close and is closed, then payment of such interest or principal and any redemption premium need not be made by such Paying Agent on such date but may be made on the next succeeding business day on which such Paying Agent is open for business with the same force and effect as if made on the date of maturity or the date fixed for redemption, and no interest shall accrue for the period after such date.

Section 9.06 Priority Over Other Liens. This Indenture is given in order to secure funds to pay for new acquisition, construction or reconstruction and by reason thereof it is intended that this Indenture shall be superior to any liens which may be placed upon the Note or Construction Funds.

Section 9.07 Extent of Covenants; No Personal Liability. All covenants, stipulations, obligations and agreements of the Issuer contained in the Indenture shall be effective to the extent authorized and permitted by applicable law. No such covenant, stipulation, obligation or agreement shall be deemed to be a covenant, stipulation, obligation or agreement of any present or future member, officer, agent or employee of the Issuer or its Legislative Authority in his individual capacity, and neither the members of the Legislative Authority nor any official executing the Notes shall be liable personally on the Notes or be subject to any personal liability or accountability by reason of the issuance thereof.

Section 9.08 Power to Issue Notes and Make Pledges. The Issuer is duly authorized pursuant to law to create and issue the Notes and coupons and enter into this Indenture and to pledge the Pledged Receipts, the Project Note Fund and all its right, title and interest in and under the Agreement in the manner and to the extent provided in this Indenture. The Notes and coupons are and will be the valid and legally enforceable special obligations of the Issuer and the provisions of this Indenture are and will be the valid and legally enforceable obligations of the Issuer, all in accordance with their terms

and the terms of this Indenture. The Issuer shall at all times, to the extent permitted by law, defend, preserve and protect the pledge of the Pledged Receipts, the Project Note Fund and all its right, title and interest in and under the Agreement and all the rights of the Noteholders under this Indenture against all claims and demands of all persons whomsoever.

Section 9.09 Binding Effect. This instrument shall inure to the benefit of and shall be binding upon the Issuer and the Trustee and their respective successors and assigns, subject, however, to the limitations contained in the Indenture.

Section 9.10 Counterparts. This Indenture may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 9.11 Captions. The captions or headings in this Indenture are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Indenture.

Section 9.12 Governing Law. This Indenture, the Notes and any coupons appertaining thereto shall be deemed to be contracts made under the laws of the State and for all purposes shall be governed by and construed in accordance with the laws of the State.

Section 9.13 FHA Documents and Regulations Control. To the extent that there is any inconsistency or ambiguity between or among this Indenture and any of the FHA Loan Documents or FHA Regulations, the FHA Loan Documents and FHA regulations will be deemed to be controlling and any such ambiguity or inconsistency will be resolved in favor of, and pursuant to the terms of, the applicable FHA Loan Document or Documents or FHA regulations.

End of Article IX

IN WITNESS WHEREOF, the Issuer and the Trustee have caused this Trust Indenture to be executed in their respective names by their duly authorized officers, all as of the day and year first above written.

THE CITY OF FORT WAYNE, INDIANA

By_____
Mayor

(SEAL)
Attest:

_____
Clerk

TRUSTEE

By_____

(SEAL)

Attest:

_____

STATE OF INDIANA)
) SS:
COUNTY OF ALLEN)

On this _____ day of July, 1980, before me, _____, a Notary Public, in and for and a resident of the state and county aforesaid, personally appeared _____ and _____, with both of whom I am personally acquainted, and who, upon their oaths, acknowledged themselves to be the Mayor and Clerk, respectively, of the City of Fort Wayne, Indiana, one of the within named bargainers, and that they as such Mayor and Clerk, being authorized so to do, executed the foregoing instrument for the purposes contained therein by subscribing thereto the name of said City and attesting the official seal of said City by themselves as such Mayor and Clerk, respectively.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my official seal this ____ day of July 1980.

_____
Notary Public

STATE OF INDIANA)
) SS:
COUNTY OF ALLEN)

On this _____ day of _____ 1980, before me, a Notary Public in and for said County and State, personally appeared _____ and _____, _____ and _____, respectively, of _____, the national banking association which executed the foregoing instrument as Trustee, who acknowledged that the seal affixed to said instrument is the seal of said association, that they did sign said instrument as such officers, respectively, for and on behalf of said association and by authority granted in its rules and regulations and by its Board of Directors; and that the same is their free act and deed as such officers, respectively, and the free act and deed of said association.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my official seal on the day and year aforesaid.

_____
Notary Public

(SEAL)

CERTIFICATE OF RECORDER

STATE OF INDIANA)
) SS:
COUNTY OF ALLEN)

I, _____, the duly elected, qualified and acting Recorder of Allen County, Indiana, hereby certify that on the _____ day of July 1980, there was filed in my office for recording an executed counterpart of the attached instrument and that the fee for the recording of said instrument was paid in full on said date.

I further certify that said instrument was recorded as Instrument No. _____, and now appears of record, of which record I am the legal custodian.

Dated the date first above written.

_____
Recorder
Allen County, Indiana

(SEAL)

$8,452,000

SUPPLEMENTAL LOAN AGREEMENT RELATING TO

BRIGHTON MEADOWS

COMMERCIAL FACILITY

BETWEEN

THE CITY OF FORT WAYNE, INDIANA

AND

BRIGHTON MEADOWS

****

$8,452,000

ECONOMIC DEVELOPMENT REVENUE NOTES

(BRIGHTON MEADOWS PROJECT)

****

DATED AS OF:

July 1, 1980

THE INTEREST OF THE CITY OF FORT WAYNE, INDIANA IN THIS SUPPLEMENTAL LOAN AGREEMENT HAS BEEN ASSIGNED TO
AS TRUSTEE UNDER THE TRUST INDENTURE DATED AS OF JULY 1, 1980, FROM THE CITY OF FORT WAYNE, INDIANA.

This instrument prepared by:

Ronal R. Newbanks
PECK, SHAFFER & WILLIAMS
First National Bank Building
Cincinnati, Ohio 45202

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S U P P L E M E N T A L L O A N A G R E E M E N T

Between

THE CITY OF FORT WAYNE, INDIANA

And

BRIGHTON MEADOWS

THIS SUPPLEMENTAL LOAN AGREEMENT made and entered into as of the first day of July 1980, between the THE CITY OF FORT WAYNE, INDIANA, (hereinafter referred to as the "Lender"), a municipal corporation organized and existing under the Constitution and laws of the State of Indiana and operating herein pursuant to the provisions of Title 18, Chapter 6, Article 4.5 of the Indiana Code of 1971, as supplemented and amended, and particularly Section 18-6-4.5-11(f) thereof, to carry out the public purposes of the Lender and of the State of Indiana and BRIGHTON MEADOWS (hereinafter referred to as the "Company"), an Indiana limited partnership.

W I T N E S S E T H :

WHEREAS, Title 18, Chapter 6, Article 4.5, Section 11(f) of the Act (as hereinafter defined), authorizes the making of direct loans by any municipality to users or developers of economic development facilities for the cost of acquisition, construction or installation of such facilities, including land, machinery or equipment, and;

WHEREAS, upon recommendation of the Fort Wayne Economic Development Commission, the Issuer has, by the adoption of an ordinance, determined to issue its Economic Development Revenue Notes (Brighton Meadows Project) in the principal amount of $8,452,000 (hereinafter sometimes referred to as the "Project Notes"); and

WHEREAS, the Issuer has caused all actions to be taken which are required by the Act for the authorization, issuance and sale of the Project Notes; and

WHEREAS, the Company and the Lender each have full right and lawful authority to enter into this Supplemental Loan Agreement (hereinafter referred to as the "Agreement", and, when the context permits, references herein to this Agreement

shall be deemed to include amendments hereto) and to perform and observe the provisions hereof on their respective parts to be performed and observed;

NOW, THEREFORE, in consideration of the premises and the mutual covenants hereinafter contained, the parties hereto covenant, agree and bind themselves as follows, provided, that any obligation of the Lender created by or arising out of this Agreement shall never constitute a debt or a pledge of the faith and credit or the taxing power of the Lender or any taxing district thereof but shall be payable solely out of Pledged Receipts as herein defined, anything herein contained to the contrary by implication or otherwise notwithstanding:

ARTICLE I

DEFINITIONS

Section 1.1 General. In addition to the words and terms elsewhere defined in this Agreement, certain words and terms as used in this Agreement shall have the meanings given to them by the definitions and descriptions in this Article I unless the context or use indicates another or different meaning or intent and such definitions shall be equally applicable to both the singular and plural forms of any of the words and terms herein defined. Those words and terms not specifically defined herein and used in this Agreement and Article I as defined words or terms shall have the meanings set forth in the Indenture, as defined herein.

Section 1.2 Definitions. The following words and terms are defined terms under this Agreement:

"Act" means Sections 18-6-4.5-1 to 18-6-4.5-30, inclusive, of the Indiana Code of 1971, as supplemented and amended.

"Additional Payments" means the amounts required to be paid by the provisions of Section 2.2 hereof.

"Authorized Company Representative" means any person from time to time designated to act on behalf of the Company by written certificate furnished to the Lender and the Trustee, containing the specimen signature of such person and signed on behalf of the Company by a general partner of the Company. Such certificate may designate an alternate or alternates who shall have the same authority, duties and powers as such Authorized Representative.

"Authorized Lender Representative" means the person from time to time designated to act on behalf of the Lender by written certificate furnished to the Company and the Trustee, containing the specimen signature of such person and signed on behalf of the Lender by an officer of its Legislative Authority. Such certificate may designate an alternate or alternates who shall have the same authority, duties and powers as the Authorized Lender Representative.

"Code" means the Internal Revenue Code of 1954, as amended, and with respect to a specific section thereof such reference shall be deemed to include (i) the regulations promulgated under such section, (ii) any successor provision of similar import hereafter enacted, (iii) any corresponding

provisions of any subsequent Internal Revenue Code, and (iv) the regulations promulgated under the provisions described in (ii) and (iii).

"Company" means Brighton Meadows, an Indiana limited partnership, and its successors and assigns, including any surviving, resulting or transferee entity as provided in Section 6.3 hereof, provided, however that for the purposes of any obligations assumed hereunder in addition to those obligations assumed by the Company in the FHA Loan Documents, Company shall mean Donald Hendrick and Lewis Rothbard.

"Completion Date" means the date specified in the certificate of the Project Supervisor to be furnished with respect to the Project pursuant to Section 3.3 hereof which date shall in any event be not later than June 1, 1982.

"Construction Fund" means the Construction Fund created in the Note Legislation.

"Construction Period" means the period between the beginning of the acquisition, construction and installation of the Project or the date on which the Project Notes are delivered to the Original Purchaser, whichever is earlier, and the Completion Date.

"Debt Service Reserve Rund" means the Debt Service Reserve Fund created in the Note.

"Determination of Taxability" means the final adoption of legislation or regulations or a final determination, decision, decree, ruling or technical advice by any judicial or administrative authority which has the effect of requiring interest on the Notes to be included in the gross income for Federal income tax purposes of the holder or registered owner of the Notes (other than a holder or registered owner who is a "substantial user" of the Project or a "related person" as those terms are used in Section 103(b)(9) of the Code). A decision or ruling by any judicial or administrative authority shall not be considered final for the purposes of this definition until the expiration or waiver of all periods for judicial review or appeal, as the case may be, in which review or appeal the Company has participated or has had an opportunity to participate. Such determination shall be deemed to have occurred upon receipt by the Trustee of evidence thereof.

"Engineer" means an engineer or engineering firm or an architect or architectural firm qualified to practice the profession of engineering or architecture under the laws of the

State, and who or which is acceptable to the Trustee and is not an officer or full-time employee of the Lender, the Company, or any related entity.

"Event of Taxability" means the occurrence of circumstances which a Determination of Taxability shall have found to have occurred, or which shall constitute a Determination of Taxability, and which result in the interest payable on the Notes becoming includable in the gross income for Federal income tax purposes of the holder or registered owner of the Notes (other than a holder or registered owner who is a "substantial user" of the Project or a "related person" as those terms are used in Section 103(b)(9) of the Code), such occurrence of circumstances relating to a specific point in time.

"FHA" means the United States Federal Housing Administration.

"FHA Approved Mortgagee" means any bank, trust company or other lending institution which has been approved by FHA as a mortgagee for any FHA mortgage.

"FHA Loan Documents" means those documents required by FHA, including but not limited to the FHA Note, the Mortgage, the Building Loan Agreement and the Regulatory Agreement.

"FHA Note" or "FHA Notes" means the FHA Note of even date herewith, in the original principal amount of $7,775,800, which Note is subject to FHA insurance upon advances pursuant to Section 221(d)(4) of the National Housing Act of 1934, as amended, constituting an unconditional promise of the Company to repay $7,775,800 of the Loan, which FHA Note shall be in the form prescribed by FHA and shall contain provisions substantially as described in Exhibit A hereto.

"Indenture" means the Trust Indenture between the Lender and the Trustee, of even date herewith, as the same may be duly amended, modified or supplemented in accordance with the provisions thereof.

"Independent Counsel" means any attorney or firm of attorneys acceptable to the Trustee and who (and none of whom in the case of a firm) is not an officer or a full-time employee of the Lender, the Company or any related entity.

"Interest Payment Date" means, as to the Project Notes, the first day of each January and July, commencing January 1, 1981, and, as to the FHA Note, the first of each month, commencing the first day of the first month following the month in which occurs initial endorsement of the FHA Note.

"Interest Rate for Advances" means a rate which is one percent in excess of the prime interest rate then charged by the Trustee to its prime commercial borrowers in its lending capacity as a commercial bank or eleven percent per annum, whichever is greater.

"Legislative Authority" means the Common Council of the Lender.

"Lender" means The City of Fort Wayne, Indiana.

"Letters of Credit" means (1) an irrevocable, unconditional letter of credit drawn upon a bank acceptable to the Trustee (which bank may be the Trustee) in the amount of $59,978 (2) a similar letter of credit in the amount of $77,776.

"Loan" means the loan by the Lender to the Company of the proceeds from the sale of the Project Notes to the Original Purchaser, after deducting the Note Fund Payment.

"Loan Payment Date" means each Interest Payment Date (with respect to the FHA Note and the Supplemental Note) and each Principal Payment Date.

"Loan Payments" means the amounts required to be paid by the provisions of Section 2.1 hereof, as the same may hereafter be amended or supplemented.

"Mortgage" means the FHA Mortgage Deed of even date herewith, pertaining to the Project Site and the Project from the Company to the Trustee, and any amendments or supplements thereto.

"Mortgage Servicer" means Waterfield Mortgage Company, Incorporated, which will service the Loan on behalf of the Trustee during the Construction Period pursuant to the provisions of the Servicing Agreement.

"Net Proceeds" means, as to any insurance proceeds or any condemnation award, the amount remaining after deducting therefrom all expenses (including attorneys' fees and any Extraordinary Expenses of the Trustee) incurred in the collection of such proceeds or award.

"Note Fund" or "Project Note Fund" means the Project Note Fund created in the Note Legislation.

"Note Fund Payment" means as to the Project Notes an amount equal to the interest accrued on the Project Notes from their date to the date of their delivery to the Original Purchaser and payment therefor.

"Note Legislation" means the ordinance adopted by the Legislative Authority of the Lender authorizing the Project Notes, as the same may from time to time be lawfully amended, modified or supplemented.

"Notice Address" means:

(a) As to the Lender:

City of Fort Wayne, Indiana

(b) As to the Company:

(c) As to the Trustee:

(d) As to the Mortgage Servicer:

(e) As to the Original Purchaser:

The Cranston Mortgage Company
100 East Broad Street, Suite 604
Columbus, Ohio 43215

or such different address notice of which is given under Section 10.3 hereof, but no such notice shall thereby be required to be sent to more than two addresses.

"Original Purchaser" means, as to the Project Notes, The Cranston Mortgage Company.

"Plans and Specifications" means the plans and specifications for the Project as approved by FHA now on file with the Lender, as revised from time to time as in this Agreement provided.

"Pledged Receipts" means (a) the Loan Payments, including the payments of principal of and interest and any premium on the FHA Note and the Supplemental Note, (b) subject to the provisions of Sections 3.04 and 8.02 of the Indenture with respect to the Trustee holding moneys for the benefit of the holders of particular Notes, all other moneys received by the Lender or the Trustee for the account of the Lender, pursuant to the Agreement or in respect to the Loan, including the Net Proceeds, if any, (c) the proceeds of the Project Notes including any moneys deposited in the Construction Fund, (d) the income and profit from the investment of the Loan Payments and such moneys, and (e) the Letters of Credit.

"Principal Payment Date" means, as to the Project Notes, January 1, 1983.

"Project" means the real, personal, or real and personal property, including undivided or other interests therein, identified in Exhibit B hereto, or in or pursuant to any amendments hereto or in the certificates of the Authorized Company Representative and the Project Supervisor given pursuant to Section 3.3 hereof, or acquired, constructed or installed as a replacement or substitution therefor or an addition thereto, or as may result from a revision of the Plans and Specifications in accordance with the provisions of this Agreement.

"Project Note or "Project Notes" means the Project Notes initially issued by the Lender pursuant to the Indenture and designated "Economic Development Revenue Notes (Brighton Meadows Project)".

"Project Purposes" means the purposes of an economic development facility as described in the Act.

"Project Site" means the real estate constituting the site of and a part of the Project, which real estate is described in Exhibit C hereto.

"Project Supervisor" means any person (including a partner or employee of the Company) from time to time designated to supervise the Project hereunder by written certificate furnished to the Lender and Trustee, containing the specimen signature of such person and signed on behalf of the Company by a general partner of the Company. Such certificate may designate an alternate or alternates who shall have the same authority, duties and powers as such Project Supervisor. In the event that all such incumbents become unavailable or unable to act and the Company fails to designate at least one replacement within ten days after such unavailability or inability to act, the Trustee may appoint a successor who shall be any architect or engineer qualified to practice the profession of architecture or engineering under the laws of the State. The Project Supervisor may be the supervisory architect so designated under the FHA Loan Documents.

"Servicing Agreement" means the Mortgage Servicing Agreement to be entered into by and among the Mortgage Servicer, the Trustee and the Company, pursuant to which the Mortgage Servicer will obtain FHA insurance upon advances upon the FHA Note and will otherwise service the Loan on behalf of the Trustee.

"Supplemental Note" means the Promissory Note of even date herewith in the original principal amount of $676,200, constituting an unconditional promise of the general partner or partners of the Company as individuals to repay said amount to the Lender, which Note shall be in substantially the form attached hereto as Exhibit B.

"State" means the State of Indiana.

"Termination Date" means January 1,1983, subject to earlier termination as herein provided.

"Trustee" means the bank or trust company at the time serving as Trustee under the Indenture, which shall at all times be an FHA approved Mortgagee, initially _____.

Section 1.3 Construction. Any reference herein to the Lender shall include any entity which succeeds to its functions, duties or responsibilities pursuant to or by operation of law. Any reference to a section or provision of the Constitution of the State, the Act, or to a section, provision or chapter of the Indiana Code of 1971, as supplemented and amended, shall include such section or provision or chapter as from time to time amended, modified, revised, supplemented or superseded; provided, however, that no

such change in the Constitution or laws shall be deemed applicable by reason of this provision if such change would in any way constitute an impairment of the rights of the Lender or the Company under this Agreement. Any reference to the Company shall include any surviving, resulting or transferee entity permitted by Section 6.3 hereof.

Unless the context shall otherwise indicate, words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders, words importing the singular number shall include the plural number, and vice versa, and the terms "hereof", "hereby", "hereto", "hereunder", and similar terms mean this Agreement.

All accounting terms not otherwise defined herein shall have the meanings assigned to them in accordance with generally accepted accounting principles.

The title to any section in this Agreement shall not be controlling with respect to the subject matter contained therein but is for convenience of reference only.

End of Article I

ARTICLE II

THE LOAN; LOAN PAYMENTS AND ADDITIONAL PAYMENTS; COMPANY TO EXECUTE AND DELIVER FHA NOTE AND SUPPLEMENTAL NOTE

Section 2.1 Amount and Terms of the Loan; the FHA Note. The Lender agrees, subject to the terms and conditions in this Agreement, to lend to the Company the proceeds from the sale of the Project Notes, after deducting the Note Fund Payment as provided in the Indenture. Such proceeds shall be deposited with the Trustee and shall be held in escrow in the Construction Fund and disbursed to the Owner pursuant to the Building Loan Agreement and Section 4.2 hereof in payment of costs of the Project and Project Site and costs of issuance and sale of the Project Notes.

Concurrently with the issuance of the Project Notes, the Company agrees to and shall execute and deliver an FHA Note in the form prescribed by FHA, containing provisions substantially the same as those described in Exhibit A attached hereto, evidencing the obligation of the Company to repay $7,775,800 of the Loan made by the Trustee for the account of the Lender. Such FHA Note shall be dated as of or before the date of its initial endorsement for insurance by FHA and payable to the order of the Trustee for the amount of $7,775,800, payable in the amounts and on the dates set forth in Exhibit A hereto, until the principal amount of the FHA Note is paid in full, the unpaid balance from time to time of such principal amount bearing interest payable as set forth in Exhibit A hereto. The general partners of the Company further agree to and shall execute the Supplemental Note in the form of Exhibit B attached hereto evidencing the obligation of such general partner to repay the balance of the Loan made by the Lender in the amount of $676,200. The amounts of principal and interest payable pursuant to the FHA Note and the Supplemental Note (together with any premium thereon) shall together constitute the Loan Payments.

All Loan Payments made hereunder on account of principal and interest and any premium on the FHA Note and the Supplemental Note shall be made directly to the Trustee at its corporate trust office, or, at the option of the Trustee and with respect to the FHA Note, shall be made to the Mortgage Servicer at its principal corporate office at least one business day prior to the applicable Loan Payment Date, for the account of the Lender for deposit in the Note Fund.

In any event, the sum of the Loan Payments payable under this Section shall be sufficient to pay the total amount due with respect to the principal of, premium (if any) and interest on the Project Notes as and when due, whether at the stated maturity thereof or pursuant to call for an optional or mandatory redemption thereof, and if at any time when said payments are due the balance in the Note Fund is insufficient to make such payments, the Company, or the general partners thereof, will forthwith pay to the Trustee, for the account of the Lender for deposit into the Note Fund, any such deficiency; provided, that any amount at any time held by the Trustee in the Note Fund shall be credited against the Loan Payments under this Section next required to be paid by the Company, to the extent such amount is in excess of the amount required for payment of Project Notes theretofore matured or theretofore called for redemption and past due interest in all cases where such Project Notes have not been presented for payment, and of any amount required to be deposited in the Note Fund by the Indenture and to be used pursuant thereto for other than the payment of the interest or any premium on or principal of (whether at maturity or by redemption) the Project Notes on the next Loan Payment Date, and provided further, that if at any time all the outstanding Project Notes are paid and discharged within the meaning of the Indenture, the Company and its general partners shall not be obligated to make any further Loan Payments under the provisions of this Section. All payments made pursuant to this Section shall be made in such manner and at such times as shall be necessary to assure that the Trustee shall receive such payments in sufficient time to permit payment of the amounts of the principal of, and interest and any premium on the Project Notes when the same shall respectively become due and payable (whether at maturity or by call for redemption).

Section 2.2 Additional Payments. The Company agrees to make Additional Payments as follows:

(a) To the Lender, as reimbursement for any and all costs, expenses and liabilities paid by the Lender in satisfaction of any obligations of the Company hereunder not performed in accordance with the terms hereof by the Company.

(b) To the Lender, as reimbursement for or prepayment of expenses paid or to be paid by the Lender and requested by the Company, or required by this Agreement or the Indenture or incurred in enforcing the provisions of this Agreement or the Indenture, or incurred in defending any action or proceedings with

respect to the Project, this Agreement or the Indenture, or arising out of or based upon any other document related to the issuance of the Project Notes which are not otherwise required to be paid by the Company under this Agreement.

(c) To the Trustee, the reasonable fees, charges and expenses of the Trustee as trustee, note registrar and paying agent, and of any other paying agent on the Notes under the Indenture from the earnings on the funds held thereunder all as provided in the Indenture, and for any extraordinary services provided by the Trustee as and when the same become due; provided that the Company may, without creating a default hereunder, contest in good faith the necessity for any Extraordinary Services and Extraordinary Expenses as such terms are defined in the Indenture, and the reasonableness of any such fees, charges or expenses.

(d) To the Mortgage Servicer, the amounts, if any, required by the Company to be paid to the Mortgage Servicer pursuant to the terms of the Servicing Agreement.

Notwithstanding any provision herein, the Lender shall not pay any cost, expense or liability of the Company under this Agreement or the Indenture unless it shall have first afforded the Company an opportunity to make any such payment; provided that the Company may, without creating a default hereunder, contest in good faith the necessity or the reasonableness of any such cost, expense or liability (other than any amount which represents principal of or interest or any premium on any Notes).

Section 2.3 Security for Payment of the FHA Note. As security for payment of the FHA Note, the Company will, concurrently with the execution and delivery of the FHA Note and the issuance of the Project Notes, mortgage to the Trustee the Project Site and all right, title and interest of the Company in the Project pursuant to the terms of the Mortgage.

Section 2.4 Assignment of Payments. The Lender will, as security for payment of the Project Notes, concurrently with the issuance of the Project Notes, pledge and assign to the Trustee all right, title and interest of the Lender in and to the Lender's rights under this Agreement to receive the Loan Payments. The Lender hereby authorizes and directs the Company, and its general partner or partners, and the Company,

and its general partner or partners, hereby agrees, to pay all Loan Payments either directly to the Trustee at its corporate trust office for the account of the Lender, or, at the option of the Trustee with respect to the FHA Note, directly to the Mortgage Servicer at its principal corporate office, for deposit in the Note Fund. Additional Payments shall be paid directly to the person or entity to whom or to which they are due.

Section 2.5 Obligations Unconditional. The obligations of the Company, and its general partner or partners, to make payments pursuant to this Agreement and to perform and observe the other agreements on its part contained herein shall be absolute and unconditional, subject to Article IX hereof insofar as applicable, provided that no partner of the Company shall be personally liable on the obligation evidenced by the FHA Note. Until such time as all conditions provided in the Indenture for release of the Indenture are met, the Company (i) will not suspend or discontinue any payments pursuant to the FHA Note or this Agreement, (ii) will perform and observe all of its other agreements contained in this Agreement, and (iii) except as provided in Article VIII hereof, will not terminate this Agreement for any cause including, without limiting the generality of the foregoing, failure to complete the Project, failure of title to the Project or Project Site or any portion thereof, any acts or circumstances that may constitute failure of consideration, destruction of or damage to the Project, or any portion thereof, commercial frustration of purpose, any change in the tax or other laws or administrative rulings of or administrative actions by or under authority of the United States of America or of the State or any failure of the Lender to perform and observe any agreement, whether expressed or implied, or any duty, liability or obligation arising out of or connected with this Agreement or the Indenture. Nothing contained in this Section shall be construed to release the Lender from the performance of any of the agreements on its part contained in this Agreement, and in the event the Lender should fail to perform any such agreement on its part, the Company may institute such action against the Lender as the Company may deem necessary to compel performance or recover its damages for nonperformance so long as such action shall not do violence to the agreements on the part of the Company contained in the next preceding sentence. The Company may, however, at its own cost and expense and in its own name or, to the extent lawful, in the name of the Lender, prosecute or defend any action or proceeding or take any other action involving third persons which the Company deems reasonably necessary in order to secure or protect its rights hereunder, and in such event the Lender hereby agrees to

cooperate fully with the Company so far as lawful, but at the Company's expense, and to take all action necessary to effect the substitution of the Company for the Lender in any such action or proceeding if the Company shall so request, or if the Lender shall determine such action
to be in its interest. This provision shall not be construed to require cooperation by the Lender with the Company in any labor dispute.

Section 2.6 Past Due Loan Payments and Additional Payments. In the event that the Company should fail to pay any Loan Payments or Additional Payments, the payment in default shall continue as an obligation of the Company until the amount in default shall have been fully paid and during the default period shall bear interest at the Interest Rate for Advances.

Section 2.7 Redemption of Project Notes. The Lender, at the written request at any time of the Company, and upon provision first made for the Lender's expenses, if any, shall forthwith take all steps that may be necessary under the applicable redemption provisions of the Indenture to effect the redemption of all or part of the then outstanding Project Notes, as may be specified by the Company, on the earliest redemption date on which such redemption may be made under such applicable provisions. This provision shall not apply to any mandatory redemption of Project Notes effected in accordance with the Indenture.

Section 2.8 Application of Certain Proceeds. Any amount deposited in the Note Fund pursuant to Section 4.2(g)(ii) or 5.6 hereof shall, if such will not in the opinion of nationally recognized bond counsel or under a ruling of the Internal Revenue Service adversely affect the exemption from Federal income tax of the interest paid on the Project Notes, be credited against the next succeeding Loan Payment.

End of Article II

ARTICLE III

CONSTRUCTION, COMPLETION AND OWNERSHIP OF THE PROJECT

Section 3.1 Agreement to Acquire, Construct and Install the Project. The Company agrees:

(a) To cause the Project to be acquired, constructed, installed and equipped on the Project Site, using its best efforts to do so with all dispatch to secure completion as promptly as is reasonably feasible in accordance with the Plans and Specifications and the FHA Loan Documents, and will use its best efforts to cause the acquisition, construction, installation and equipment of other facilities and real and personal property deemed necessary in connection with the Project to the end that the Project will fulfill the Project Purposes.

(b) To make, execute, acknowledge and deliver any contracts, orders, receipts, writings and instructions with any other persons, firms or corporations, and in general do all things which may be requisite or proper for acquiring, constructing and installing the Project.

(c) To ask, demand, sue for, levy and use its best efforts to recover and receive such sums of money, debts, dues or other demands whatsoever in connection with the Project, to which it may be entitled under any contract, order, receipt, guaranty, warranty, writing or instruction in connection with any of the foregoing, and it will enforce the provisions of any contract, agreement, obligation, bond or other security in connection with the Project. Any amounts received in connection with the foregoing, after deduction of expenses incurred in such recovery (i) prior to the Completion Date and full disposition of the Construction Fund in accordance with this Agreement and the Indenture, shall be paid into the Construction Fund, or (ii) after the Completion Date and full disposition of the Construction Fund in accordance with this Agreement and the Indenture shall be used in accordance with Section 4.2(g) hereof, as if such amounts were remaining in the Construction Fund after the Completion Date and after payment of all costs, or provision therefor, had been made.

Section 3.2 Plans and Specifications. The Plans and Specifications are at the date hereof on file with the Lender and the Trustee and the Original Purchaser and may be changed from time to time by the Company but only in accordance with FHA procedures provided that any such change shall also be filed with the Lender and the Original Purchaser.

Section 3.3 Completion Date. Completion of the acquisition, construction, installation and equipment of the Project shall be evidenced to the Lender, the Trustee, the Mortgage Servicer and the Company by the final endorsement of the FHA Note by FHA.

Section 3.4 Agreement as to Ownership of Project and Project Site. The Lender and the Company agree that title to and ownership of the Project, including the Project Site, shall vest in or remain in and be the sole property of the Company.

Section 3.5 Use of Project and Project Site. The Lender does hereby covenant and agree that it will not take any action, or cause any action to be taken, during the term of this Agreement, other than pursuant to Article IX of this Agreement or Article VI of the Indenture, to interfere with the Company's ownership of the Project or Project Site or to prevent the Company from having possession, custody, use and enjoyment of the Project or Project Site, except such action as may be required of or permitted to the Lender in its governmental capacities.

Section 3.6 No Additional Notes. The Company and the Lender agree that no Additional Notes may be issued pursuant to the Indenture.

End of Article III

ARTICLE IV

ISSUANCE OF NOTES; APPLICATION OF PROCEEDS

Section 4.1 Issuance of Notes; Deposit of Note Proceeds. In order to provide funds to make the Loan and thereby pay for the costs described in Section 4.2 hereof and incurred under or in connection with this Agreement, concurrently with the delivery to Trustee of the FHA Note and Supplemental Note as provided in Section 2.1 hereof (as to the FHA Note, executed by the Company but not endorsed for insurance by FHA at the time of such delivery), the Lender will issue, sell and deliver the Project Notes to the Original Purchaser and will deposit the proceeds of said Project Notes, after deducting the Note Fund Payment as provided in the Indenture, into the Construction Fund as the Loan to the Company. The moneys derived from the proceeds of the Project Notes deposited in the Construction Fund (including earnings on any investment thereof), pending application as provided in Section 4.2 hereof, are subject to a lien in favor of the holders of the Project Notes as provided in the Indenture.

Section 4.2 Disbursements from the Construction Fund. The Lender has, in the Indenture, authorized and directed the Trustee to use the moneys in the Construction Fund for the disbursements required by the provisions of this Agreement. Such disbursements shall be to pay, or, to the extent the Company shall have paid, to reimburse the Company, for the following:

(a) Costs incurred directly or indirectly for or in connection with the acquisition or construction of the Project and Project Site including but not limited to those for preliminary planning and studies, architectural, legal, engineering and supervisory services, labor, services, materials, acquisition, construction and installation.

(b) Premiums attributable to all insurance required to be taken out and maintained during the Construction Period with respect to the Project and Project Site, the premium on each surety bond, if any, required with respect to work on the Project, and taxes, assessments and other charges in respect of the Project and Project Site, that may become due and payable during the Construction Period.

(c) Costs incurred directly or indirectly in seeking to enforce any remedy against any contractor or subcontractor in respect of any default under any contract relating to the Project.

(d) Financial, legal, accounting, printing and engraving fees, charges and expenses, and all other such fees, charges and expenses incurred in connection with the Project Notes and the preparation and delivery of this Agreement, the Indenture and related documents.

(e) Fees and expenses of the Trustee and of any paying agent properly incurred under the Indenture that may become due and payable during the Construction Period, and the initial or acceptance fee of the Trustee.

(f) Any other incidental and necessary costs including, without limitation, any expenses, fees and charges, relating to the acquisition, construction or installation of the Project and further including, without implied limitation, fees paid to FHA, the GNMA commitment fee and other moneys paid in accordance with the FHA Building Loan Commitment; provided, that nothing in this Agreement permits, or shall be construed to permit, the expenditure of any moneys in the Construction Fund for, or in reimbursement of payments made for, the acquisition of motor vehicles required to be licensed by the State, raw materials, small tools, supplies, inventory, or accounts receivable, or for provision of working capital, and no such expenditure shall be made from the Construction Fund.

(g) All moneys in the Construction Fund (including moneys earned thereon by investment thereof) remaining after the Completion Date and payment, or provision for payment, in full of the costs provided for in the preceding subsections of this Section, then due and payable, shall promptly at the direction of the Authorized Company Representative be paid into the Project Note Fund for retirement of the Project Notes at maturity (but only to such extent as will not, in the opinion of nationally recognized bond counsel, adversely affect the tax-exempt status of the Project Notes); provided that amounts approved by the Authorized Company Representative shall be retained by the Trustee in the Construction Fund for payment of such costs not then due and payable, and any balance remaining of such retained funds after full payment of

all such costs shall be used as directed by the Authorized Company Representative in the manner specified in this subsection and; further provided, that if such moneys remaining in the Construction Fund prior to the application in the manner specified in this subsection exceed 10% of the aggregate principal amount of the Project Notes after subtracting the total of the costs of the issuance, sale and delivery of the Project Notes, then the amount by which such moneys remaining in the Construction Fund exceed the amount specified above shall only be paid into the Project Note Fund and utilized to pay the Project Notes (but not for any premium thereon) at maturity.

Each of the payments referred to in the preceding subsections (a) through (f) above which are payments of the kind listed on FHA Form No 2403, shall be made pursuant to the FHA Loan Documents only upon the written order of the Mortgage Servicer, and in any event shall be made only upon receipt of FHA Form. No. 2403 executed by FHA and stating that FHA insurance upon advances has been approved with respect to the full amount of each of such payments. All other payments listed in subsections (a) through (f) above may be made by the Trustee upon receipt of the Project Supervisor's certificate referred to below. Before any of such payment may be made, the Project Supervisor shall certify to the Trustee (and to the Mortgage Servicer with respect to each FHA-approved payment, as appropriate): (i) that none of the items for which the payment is proposed to be made has theretofore formed the basis for any payment theretofore made from the Construction Fund, (ii) that each item for which the payment is proposed to be made is or was necessary in connection with the Project, and (iii) that the Company has received from each payee appropriate waivers of any mechanics' or other liens (or, if the Trustee shall acquiesce thereon, thereby provides indemnification in lieu thereof satisfactory to the Trustee). In the case of any contract providing for the retention of a portion of the contract price, there shall be paid initially from the Construction Fund only the net amount remaining after deduction of any such portion, and when the amount of any such retention is due and payable, then such retained amount may be paid from the Construction Fund. The Trustee shall be allowed a reasonable time not to exceed 30 days, in view of the character of any investment or investments required to be liquidated for the purpose, for the making of any payment required by subsections (a) to (f), inclusive, of this Section; provided that nothing herein shall be deemed or construed to extend the time during which the Trustee shall make any payment pursuant to the Building Loan Agreement.

Substantially all of the proceeds of the Project Notes shall be used for the acquisition, construction, reconstruction, or improvement of land or property of a character subject to the allowance for depreciation, all within the meaning of the Code.

Section 4.3 Obligation of the Parties to Cooperate in Furnishing Documents. The Lender and the Company agree to cooperate in furnishing the documents referred to in Section 4.2 hereof that are required to effect payments out of the Construction Fund, and the Company agrees to cause such approvals and orders to be directed by the Project Supervisor and the Authorized Company Representative to the Trustee as may be necessary to effect payments out of the Construction Fund in accordance with Section 4.2 hereof. Such obligation is subject to any provisions of this Agreement or the Indenture requiring additional documentation with respect to payments and shall not extend beyond the moneys in the Construction Fund available for payment under the terms of the Indenture.

Section 4.4 Company Required to Pay Costs in Event Construction Fund Insufficient. In the event the moneys in the Construction Fund should not be sufficient to pay all costs payable therefrom, the Company agrees, in order to fulfill the public purposes for which the Project is to be used, to complete the acquisition, construction, installation and equipment to be accomplished pursuant hereto and to pay all costs therefor in full; provided, however, that nothing contained herein shall impair the Company's rights under Article VIII hereof. The Company agrees that if after exhaustion of the moneys in the Construction Fund the Company should pay pursuant hereto any portion of the said costs listed in Section 4.2 hereof, it shall not be entitled to any reimbursement therefor from the Lender, the Trustee, or the holders of any of the Notes, nor shall it be entitled to any diminution in or abatement or postponement of the Loan Payments.

Section 4.5 Investment of Fund Moneys. Any moneys held as part of the Project Note Fund or Construction Fund shall at the oral or written request of the Authorized Company Representative be invested or reinvested by the Trustee as specified in the Indenture. The Lender and the Company jointly and severally covenant that the use of the proceeds of the Project Notes, including any moneys held as part of any fund and any other amounts received by the Lender in respect to property directly or indirectly financed with the proceeds of the Project Notes, and proceeds from interest earned on the investment and reinvestment of such fund and proceeds, shall be invested or otherwise used and shall be restricted in such

manner and to such extent, if any, as may be necessary, after taking into account reasonable expectations at the time of issuance of the Project Notes, so that they will not constitute "arbitrage bonds" within the meaning of Section 103(c) of the Code. Any officer of the Lender having responsibility with respect to the issuance of the Project Notes is authorized and directed, alone or in conjunction with any other officer, employee or consultant of the Lender or the Company, and upon receipt of satisfactory indemnities, to give an appropriate certificate on behalf of the Lender, for inclusion in the transcript of proceedings for the Project Notes, setting forth the facts, estimates and circumstances and reasonable expectations pertaining to said Section 103(c). The appropriate officers of the Legislative Authority shall cause to be furnished as provided in the Indenture a true transcript of certified proceedings including all proceedings had with reference to the issuance of the Project Notes along with such other information as is necessary or proper with respect to the Project Notes.

End of Article IV

ARTICLE V

MAINTENANCE; INSURANCE; DAMAGE; DESTRUCTION AND EMINENT DOMAIN

Section 5.1 Maintenance. So long as any of the Project Notes are outstanding within the meaning of the Indenture, the Company shall keep and maintain the Project and Project Site, including all appurtenances thereto and any personal property therein or thereon, in good repair and good operating condition.

Section 5.2 Removal of Portions of the Project. The Company shall have the right from time to time to substitute personal property or fixtures for any portions of the Project, provided such actions are permitted under the FHA Loan Documents and that the personal property or fixtures so substituted shall not impair the character of the Project as an "economic development facility" within the meaning of Section 18-6-4.5-2(c) of the Indiana Code of 1971, as supplemented and amended. Any such substituted property or fixtures shall be included under the terms of this Agreement as part of the Project. The Company shall also have the right to remove any portions of the personal property or fixtures comprising a portion of the Project, without substitution therefor; provided, that such actions are permitted under the FHA Loan Documents and that with respect to any portion of the Project with a value of $50,000 or more the Company shall first deliver to the Trustee a certificate signed by an Engineer selected by the Company particularly describing each such portion of the Project and shall obtain the written consent of the Trustee with respect to such removal, which consent shall not be unreasonably withheld, and provided further that the Company pays to the Trustee a sum equal to the then value of the personal property or fixtures so removed as determined by the Project Supervisor, if the value of such removed property is less than $50,000, and otherwise by an Engineer selected by the Company, and such amounts shall be paid into the Note Fund so long as any Notes remain Outstanding. Removal of any portion of the Project pursuant to this Section shall be made only with the prior written concurrence of FHA.

Section 5.3 Insurance. The Company agrees to insure the Project as required by FHA, GNMA and the Trustee.

The Company furthermore agrees that it will carry public liability insurance with reference to the Project with one or more reputable insurance companies duly qualified to do business in the State, in minimum amounts of $300,000 for the

death of or bodily injury to one person and $1,000,000 for personal injury or death for each occurrence in connection with the Project and $100,000 for property damage for any occurrence in connection with the Project. The Lender and the Trustee shall be made additional insureds under such policies. Such public liability insurance may be by blanket insurance policy or policies.

Section 5.4 Worker's Compensation Coverage. Throughout the term of this Agreement, the Company shall comply, or cause compliance, with applicable worker's compensation laws of the State.

Section 5.5 Mechanics' and Other Liens. The Company shall not suffer or permit any mechanics' or other liens to be filed or exist against the Project or Project Site, nor against any Loan Payment paid or payable hereunder, by reason of work, labor, services or materials supplied or claimed to have been supplied to the Company or anyone holding the Project or Project Site or any part thereof through or under the Company. If any such mechanics' or other liens shall at any time be filed, the Company shall, within ninety (90) days after notice of the filing thereof, cause the same to be discharged of record by payment, deposit, bond, order of a court of competent jurisdiction or otherwise. The Company shall have the right to contest the validity of the amount of any such lien by appropriate proceedings timely instituted, provided that the Company (a) gives the Lender and the Trustee written notice of its intention so to do, (b) diligently prosecutes any such contest, and (c) if requested by the Trustee, furnishes a bond in cash or by surety, whichever shall be acceptable to the Trustee, in an amount equal to twice the amount of the lien as claimed, and the Company shall not be in default hereunder for failure to pay or discharge any such lien so long as it is contesting the same as aforesaid.

Section 5.6 Damage; Destruction and Eminent Domain. If, prior to full payment of all Project Notes outstanding (or provision for payment thereof having been made in accordance with the provisions of the Indenture); the Project or any portion thereof is destroyed or damaged in whole or in part by fire or other casualty, or title to, or the temporary use of, the Project or the Project Site or any portion thereof shall have been taken by the exercise of the power of eminent domain, and the Lender, the Company or Trustee receives Net Proceeds from insurance or any condemnation award in connection therewith, the Company (unless it shall have exercised its option to prepay the Loan pursuant to provisions of Section 8.2 hereof) shall, subject to the written approval of FHA, (a)

cause an amount equal to such Net Proceeds to be used to repair, reconstruct, restore, replace or improve the Project or Project Site or such portion thereof in such a way as will not impair the character or signficance of the Project as furthering the Project Purposes, or (b) deposit into the Project Note Fund an amount equal to such Net Proceeds so received or an amount equal to the balance remaining of any such Net Proceeds after use of a portion of such Net Proceeds for the purposes described in clause (a) of this paragraph.

End of Article V

ARTICLE VI

WARRANTIES, REPRESENTATIONS AND SPECIAL COVENANTS

Section 6.1 Warranty of Lender. The Lender warrants and represents that it is a duly organized and existing municipal corporation pursuant to the Constitution and laws of the State. The Lender agrees that it will do or cause to be done all things necessary, so far as lawful, to preserve and keep in full force and effect its existence. The Lender has determined that the Project constitutes an "economic development facility" within the meaning of that term as defined in Section 18-6-4.5-2(c) of the Indiana Code of 1971, as supplemented and amended. The Lender has duly accomplished all conditions necessary to be accomplished by it prior to issuance and delivery of the Project Notes and execution and delivery of this Agreement, it is not in default under any of the provisions contained in the laws of the State in any manner which would impair its ability to carry out its obligations hereunder, it has power under the Act to enter into the transactions contemplated by this Agreement, and it has been duly authorized to execute and deliver this Agreement.

The Lender further warrants and covenants as follows:

(a) Payment of Project Note Service Charges. The Lender will, solely from Pledged Receipts, pay or cause to be paid the Project Note service charges on each and all Project Notes on thedates, at the places and in the manner provided herein, in the applicable Note Legislation and in the Project Notes and coupons.

(b) Performance of Covenants, Authority and Actions. The Lender will at all times faithfully observe and perform all agreements, covenants, undertakings, stipulations and provisions contained in the Note Legislation, the Agreement, the Indenture and in any and every Project Note executed, authenticated and delivered under the Indenture, and in all proceedings of the Lender pertaining to the Project Notes, the Indenture or the Agreement. The Lender warrants and covenants that it is, and upon delivery of the Project Notes will be, duly authorized by the Constitution and laws of the State, including particularly and without limitation the Act, to issue the Project Notes and to execute the Indenture and the Agreement, to provide the security for payment of the Project Note service charges in the manner and to the extent herein and in the Indenture set forth; that all actions on its part for the issuance of the Project Notes and execution and delivery of the Indenture and the Agreement have been or will be duly and

effectively taken; and that the Project Notes and the coupons pertaining thereto in the hands of the holders thereof will be valid and enforceable special obligations of the Lender according to the terms thereof. Each provision of the Note Legislation, Indenture, Agreement and Project Notes is binding upon each such officer of the Lender as may from time to time have the authority under law to take such actions as may be necessary to perform all or any part of the duties required by such provision; and each duty of the Lender and of its officers undertaken pursuant to such proceedings for the Project Notes is established as a duty of the Lender and of each such officer having authority to perform such duty.

(c) Pledged Receipts. Except as otherwise provided in the Note Legislation, Indenture and Agreement, the Lender will not create or suffer to be created any debt, lien or charge thereon, or make any pledge or assignment of or create any debt, lien or charge thereon, or make any pledge or assignment of or create any lien or encumbrance upon the Pledged Receipts, including the moneys in the Project Note Fund and Construction Fund, other than the pledge and assignment thereof under the Note Legislation, Indenture and Agreement.

(d) Recordings and Filings. The Lender will cause (to the extent required by the laws of the State to perfect such instruments and/or the lien created thereby) all necessary financing statements, amendments thereto, continuation statements and instruments of similar character relating to the pledges and assignments made by it to secure the Project Notes, to be recorded and filed in such manner and in such places and to the extent required by law in order to fully preserve and protect the security of the holders of the Project Notes and the rights of the Trustee under the Indenture.

(e) Inspection of Project Books. All books and documents in the Lender's possession relating to the Project or the Pledged Receipts shall at all times be open to inspection by such accountants or other agents of the Trustee as the Trustee may from time to time designate.

(f) List of Bondholders. To the extent that such information shall be made known to the Lender under the terms of this paragraph, the Lender will keep or arrange to have kept on file at the corporate trust office of the Trustee a list of names and addresses of the last known holders of Project Notes payable to bearer. Any Noteholder may in a writing addressed to the Lender or Trustee request that his name and address be placed on said list, which request shall include a statement of the principal amount of Project Notes held by such holder and

shall identify, by number and series designation, such Project Notes. Neither the Lender nor the Trustee shall be under any responsibility with regard to the accuracy of said list. At reasonable times and under reasonable regulations established by the Trustee, said list may be inspected and copied by the Company, or by the holders (or a designated representative thereof) of twenty-five percent or more in principal amount of Project Notes then outstanding, such holding and the authority of any such designated representative to be evidenced to the satisfaction of the Trustee.

(g) Rights under Agreement. The Trustee, in its name or in the name of the Issuer, may, for and on behalf of the Noteholders, enforce all rights of the Lender and all obligations of the Company under and pursuant to the Agreement, FHA Note, Supplemental Note and FHA Loan Documents, whether or not the Lender has pursued or attempted to enforce of such rights and obligations.

(h) Maintenance of Agreement. The Lender shall do all things and take all actions on its part necessary to comply with the obligations, duties and responsibilities on the part of the Lender under the Agreement, and will take all actions within its authority to maintain the Agreement in effect in accordance with the terms thereof and to enforce and protect the rights of the Lender thereunder, including actions at law and in equity, as may be appropriate.

Section 6.2 Representations of the Company. The Company, and/or the general partners thereof, as appropriate, makes the following representations to induce the Lender to enter into this Agreement:

(a) The Company is a limited partnership duly organized and existing under and by virtue of the laws of the State and is not in violation of any provision of its partnership agreement or any laws of the State relevant to the transactions contemplated by this Agreement, the FHA Note, the Supplemental Note, the Indenture or the FHA Loan Documents.

(b) The Company has full power and authority to execute and deliver this Agreement, the FHA Note, the Supplemental Note and the FHA Loan Documents and to carry out the transactions provided for therein. This Agreement, the FHA Note and the FHA Loan Documents have by proper partnership action been duly authorized, executed and delivered by the Company and all actions necessary have been taken to constitute

this Agreement, the FHA Note, the Supplemental Note and the FHA Loan Documents, when executed and delivered by the respective parties thereto, valid and binding obligations of the Company.

(c) The execution, delivery and performance by the Company of this Agreement, the FHA Note, the Supplemental Note and the FHA Loan Documents and the consummation of the transactions contemplated hereby and thereby will not violate any provision of law or regulation applicable to the Company, or of any writ or decree of any court or governmental instrumentality, or of the limited partnership agreement or any resolution of the Company, or of any mortgage, indenture, contract, agreement or other undertaking to which the Company is a party or which purports to be binding upon the Company or upon any of its assets.

(d) The financing, acquisition, construction and installation provided under this Agreement, and commitments therefor made by the Lender, have induced the Company to locate within the boundaries of the Lender the new facilities constituting the Project located on the Project Site which will be used in the business of the Company to be conducted thereat.

(e) Construction and installation in accordance with the Plans and Specifications and the Act will be accomplished and the Project will be utilized and maintained in such manner as to conform with all applicable zoning, planning, building, environmental and other regulations of all governmental authorities having jurisdiction of the Project, and all necessary permits, licenses, consents and permissions have been obtained as of the date of execution of this Agreement to the extent that the same are obtainable as of such date.

(f) There are no actions, suits or proceedings pending, or to the knowledge of the Company, threatened against or affecting it or the Premises or involving the validity or enforceability of the FHA Mortgage or the priority of the lien thereof, at law or in equity or before or by any governmental authority, except actions, suits and proceedings fully covered by insurance or which, if adversely determined, would not substantially impair the ability of the Company to pay when due any amounts which may become payable in respect of the FHA Note; and to the Company's knowledge it is not in

default with respect to any order, writ, injunction, decree or demand of any court or any governmental authority.

(g) The consummation of the transactions hereby contemplated and performance of this Agreement and the Mortgage will not result in any breach of, or constitute a default under any mortgage, deed of trust, lease, bank loan, credit agreement, or other instrument to which the Borrower is a party or by which it may be bound or affected.

(h) No assessments of any nature will remain unpaid after the final construction disbursement, including but not limited to assessments relating to streets, roads, entrances, waterlines, sanitary and storm sewers, gas lines and all other utilities including acreage fees and trunk sewers.

(i) All of the partnership interests of Company are validly issued, fully registered, if required, with the applicable governmental authorities and/or agencies; and there are no outstanding options or rights to purchase or acquire said partnership interests. Nothing herein shall prevent the Company from issuing additional partnership interests, provided such interests are issued in accordance with this section.

(j) The Company shall do or cause to be done all things necessary to preserve, maintain and keep in full force and effect its partnership existence and comply with all laws applicable to it.

(k) The Company agrees to promptly give notice in writing to the Trustee of the occurrence or existence of any material litigation, labor dispute or governmental proceeding or investigation affecting Company which could reasonably be expected to interfere substantially with its normal operations or materially and adversely affect its financial conditions.

(l) As of the date of initial endorsement of the Mortgage, the Company will lawfully own and will lawfully be possessed of the real property and interests therein described in the Mortgage and will have good and marketable title and estate therein subject only to such encumbrances as are described in the Trustee's policy of title insurance and approved by the FHA, and

it will defend the title thereto and every part thereof against the claim and demands of all persons whomseever.

(m) No counterclaim, offset, defense or right of rescission exists that can be asserted and maintained by the Company against the Issuer.

(n) The indebtedness represented by the FHA Note has not been modified, satisfied, cancelled, subordinated or compromised in whole or in part and the mortgaged property has not been released in whole or in part from the lien of the Mortgage or other instruments evidencing security for the indebtedness.

(o) The use and occupancy of the Project in the manner presently contemplated by this Agreement and the FHA Loan Documents will not conflict with any zoning or building code or similar ordinance applicable thereto or any law or administrative regulation or procedure governing the protection of the environment.

(p) The initial operating budget for the Project has been prepared by the Company and such budget includes all such operating costs and other expenditures with respect to the Project, including without limitation debt service on the FHA Note, as may be reasonably expected to be incurred for the period of such budget.

(q) All material information given by the Owner to FHA concerning the Project and the FHA Loan Documents was and is true and correct.

(r) The statements made in the preliminary and final Offering Circulars relating to the Notes (respectively, the "Preliminary Offering Circulars" and the "Final Offering Circulars") that are descriptive of the Company, the Project, the Agreement or the FHA Loan Documents have been prepared or reviewed by the Company and did not on the date of the Preliminary and of the Final Offering Circulars, do not on the date of this Agreement and will not on the date of delivery of the Notes contain any untrue statement of a material fact or omit to state any material fact necessary in order to make such statements, in light of the circumstances under which they were made, not misleading.

(s) The Company covenants and agrees that from the date hereof until payment in full of all of the obligations hereunder, unless the Trustee shall otherwise consent in writing, it will not:

1. Make any additional Borrowings;

2. Incur, create, assume or suffer to exist any mortgage, pledge, security interest, lien, charge or other encumbrance of any nature on any of Company's assets, now or hereafter owned other than (i) any liens, taxes or other governmental charges which are not yet due and payable, (ii) any pledge relating to syndication of the Project, (iii) any lien, including, but without limiting the generality of the foregoing, mechanics' lien, or other liens resulting from a good-faith dispute on the part of Company, which dispute Company agrees to resolve diligently, and (iv) such other pledges as may be approved in writing by the Trustee.

3. Make changes with respect to the partner(s) now acting as the duly authorized managing partner(s) of Company.

4. No general partner shall be permitted to sell, assign, give, transfer or otherwise dispose of his entire partnership interest in Company without obtaining Lender's and Trustee's prior written consent.

5. Create, incur, assume or suffer to exist any indebtedness for borrowed money or any other obligation whatsoever, regardless of how evidenced or secured except indebtedness of Company to Lender or Trustee or provided in the FHA Note, Mortgage, Indenture and the documents referred to therein. Nothing in this Section 6.2 shall restrict any of the general partners of the Company from incurring a debt which is not related to the Company's business.

Section 6.3 Opinion of Counsel. The Company agrees that at the time of delivery of the FHA Notes, the Company shall deliver or cause to be delivered an opinion or opinions of counsel to the Company, dated the date of such delivery and addressed to the Issuer, note counsel and The Cranston Mortgage Company as purchaser of the Notes, in such form as is satisfactory to note counsel and counsel to The Cranston Mortgage Company.

Section 6.4 Company to Maintain its Existence; Conditions Under Which Exceptions Permitted. The Company agrees that during the term of this Agreement it will maintain its existence, will not dissolve or otherwise dispose of all or substantially all of its assets and will not consolidate with or merge into another partnership or other entity or permit one or more other entities to consolidate with or merge into it; provided that the Company may, without violating the agreement contained in this Section, and with the written consent of the Original Purchaser of a majority in principal amount of the Project Notes, consolidate with or merge into a corporation incorporated under the laws of any state of the United States of America, or permit one or more corporations to consolidate with or merge into it or sell or otherwise transfer to any United States corporation domiciled in the United States of America all or substantially all of its assets as an entirety and thereafter dissolve, provided that (i) if the surviving, resulting, or transferee corporation, as the case may be, is other than the Company, such surviving, resulting or transferee corporation assumes in writing all of the obligations of the Company hereunder, and (ii) that the surviving, resulting or transferee corporation has a net worth (calculated in accordance with current and general standards of accounting practice) of not less than that of the Company immediately prior to such dissolution, disposition or merger, and (iii) that the surviving, resulting or transferee corporation is a corporation either organized under the laws of the State and duly qualified to do business therein, or duly qualified to do business in the State as a foreign corporation.

If consolidation, sale or merger or other transfer is made as provided in this Section, the provisions of this Section shall continue in full force and effect and no further consolidation, merger or sale or other transfer shall be made except in compliance with the provisions of this Section.

Section 6.5 Financial Statements. Within ninety days after the end of the fiscal year of the Company ending on December 31, 1980, the Company shall provide to the Mortgage Servicer and to the Original Purchaser of the Project Notes financial statements for such fiscal year in form reasonably satisfactory to the Original Purchaser of a majority in principal amount of the Project Notes, certified by an independent certified public accountant or firm of independent certified public accountants acceptable to such Original Purchaser (such acceptance not to be unreasonably withheld). With such financial statements, the Company shall furnish to the Trustee and the Original Purchaser a certificate of a general partner stating that no default under this Agreement exists on the date of such certificate, or if any such default shall then exist, describing such default with specificity.

Section 6.6 Company's Approval of Indenture. The Indenture has been submitted to the Company for examination, and the Company acknowledges, by execution of this Agreement, that it has approved the Indenture.

Section 6.7 Right of Access. The Company agrees that subject to reasonable security and safety regulations and to reasonable requirements as to notice, the Mortgage Servicer, the Lender and the Trustee and their or any of their respective duly authorized agents shall have the right at all reasonable times to enter upon the Project Site and to examine and inspect the Project and the books, records and tax returns of the Company. The Company further agrees that the Mortgage Servicer, the Lender and the Trustee and their duly authorized agents shall have such rights of access to the Project Site and the Project as may be reasonably necessary to cause to be completed the construction, installation and equipment provided for herein, and thereafter for the proper maintenance of the Project in the event of failure by the Company to perform its obligations hereunder.

Section 6.8 Indemnification. The Company releases the Lender and the Trustee from, agrees that the Lender and the Trustee shall not be liable for, and agrees to hold the Lender and the Trustee harmless against, any loss or damage to property, or any injury to or death of any person, that may be occasioned by any cause whatsoever pertaining to the Project Site or Project or the use thereof, except any such loss, damage, injury or death as may be occasioned by willful or wanton misconduct of the Lender or the Trustee or any officer, agent or employee of either. The Company further agrees to indemnify and save harmless the Lender and the Trustee against and from any and all cost, liability, expenses and claims arising from any breach or default on the part of the Company in the performance of any covenant or agreement on the part of the Company to be performed pursuant to the terms of this Agreement, or arising from any act or failure to act by the Company or any of its agents, contractors, servants, employees, or licensees, or arising from any accident, injury or damage whatsoever caused to any person, firm or corporation occurring during the term of this Agreement, in or about the Project Site, and from and against all cost, liability and expenses incurred in or in connection with any such claim or action or proceeding brought thereon; and in case any action or proceeding be brought against the Lender or the Trustee by reason of any such claim, the Company upon notice from the Lender or the Trustee covenants to resist or defend such action or proceedings at the Company's expense.

Section 6.9 Company Not to Adversely Affect Tax Exempt Status of Interest on Project Notes. The Company, for the benefit of the Lender, the Trustee and the holders from time to time of the Project Notes, hereby represents that it has not taken, or permitted to be taken on its behalf, and agrees that it will not take, or permit to be taken on its behalf, any action which would adversely affect the exemption from Federal income taxation of the interest paid on the Project Notes, and that it will take, or require to be taken, such acts as may from time to time be required under applicable law or regulation in effect on the date of the original delivery of the Project Notes to the Original Purchaser to maintain the exemption from Federal income taxation of the interest on the Project Notes. In particular, without limiting the generality of the foregoing, the Company agrees that, within the meaning of Section 103(b)(6)(A) of the Code, substantially all of the proceeds of the Project Notes will be used to acquire, construct, reconstruct or improve land or property of a character subject to the allowance for depreciation.

The Company represents that, on the date of the issuance of the Project Notes, (i) obligations have not been assumed, (ii) expenditures (as defined in or for the purposes of Section 103(b)(6)(D) of the Code with respect to any land and interests therein, buildings, structures, machinery, equipment and other facilities of which the Company or a related person as defined in or for the purposes of said Section 103(b)(6)(D) is the principal user or of which a principal user of the Project is also a principal user and which are located within the incorporated limits of the Issuer) have not been made and (iii) outstanding obligations do not exist, all either with respect to the Company or any "principal user" of the Project within the meaning of Section 103(b) of the Code, which will cause the "aggregate face amount" of the Project Notes as computed under the provisions of Section 103(b)(6)(D) and related sections of the Code to exceed $10,000,000. Within three years after the date of the issuance of the Project Notes the Company shall not, nor shall it permit any "principal user" to, make any expenditure, assume any obligation or take or permit other action to be taken which would cause the "aggregate face amount" of the Project Notes as computed under the provisions of Section 103(b)(6)(D) and related sections of the Code to exceed $10,000,000 or such other maximum dollar amount permitted by the Code on the date of the payment or incurrence of such expenditure. Provided, that capital expenditures (1) to replace property destroyed or damaged by fire, storm, or other casualty, to the extent of the fair market value of the

property replaced, (2) required by a change made after such date of issue of the Project Notes in a Federal or state law or local ordinance of general application or required by a change made after such date of issue in rules and regulations of general application issued under such a law or ordinance, or (3) required by circumstances which could not reasonaly be foreseen on such date of issue or arising out of a mistake of law or fact, shall not be taken into account (but the aggregate amount of expenditures not taken into account under this clause (3) shall not exceed $1,000,000).

Section 6.10 Reports. The Company agrees that between the first and tenth days of each February and August commencing February 1, 1981, and ending August 1983, it will deliver to the Trustee and the Original Purchaser a certificate of the Authorized Company Representative stating the amount of capital expenditures made to that date by it and each principal user which qualified within the second paragraph of Section 6.9, and the then cumulative total of the principal amount of the Project Notes and such capital expenditures. The Company shall file, or if it is not the only "principal user", as such term is used in Section 103(b) of the Code, of the Project, shall cause each principal user to file, (a) with the Federal income tax returns (without regard to any extensions of time for filing such returns) of the Company or such principal user for the current taxable year, a copy of the Lender's election under Section 103(b)(6)(D) of the Code and (b) annually for the three year period following the date of issue of the Project Notes, with both (1) the Trustee and the Lender within 90 days after the end of its or the principal users' fiscal year, and (2) the director of the regional service center or other office of the Internal Revenue Service where its or such principal users' income tax return is required to be filed, on the date required for such filing (without regard to any extensions of time), a statement showing all capital expenditures paid or incurred during its or such principal users' preceding fiscal year in connection with the Project or any other facility that is required to be taken into account for the purposes of Ssection 103(b)(6)(D)(ii) of the Code by reason of Section 103(b)(6)(E) of the Code. The Company shall also file any other reports, statements or documents and take any other action as may be required from time to time with respect to maintaining the qualification of the Project Notes as an exempt small issue within the meaning of Section 103(b)(6)(D) of the Code.

The Company agrees that it will, from time to time, upon request of the Trustee, deliver to the Trustee an opinion of counsel satisfactory to the Trustee to the effect that, on the basis of the most recent said certificate filed by the

Company (or any principal user, or both) with the Internal Revenue Service, the capital expenditures made by the Company and any principal user within the second paragraph of Section 6.9 do not cause the interest payable on the Project Notes to be subject to Federal income taxation.

Section 6.11 Use of Proceeds. The Company shall not (a) use any of the proceeds of the Project Notes for any purpose other than to pay the costs specified in Section 4.2 hereof, (b) request, approve, or permit to be approved on its behalf, any payment of the proceeds of the Project Notes if, as a result of such payment, less than "substantially all" of the proceeds of the Project Notes expended at that time would be considered as having been used for the acquisition, construction and installation of land or property of a character subject to the allowance for depreciation within the meaning of Section 103(b)(6)(A) of the Code, (c) take any other action with respect to the use of the proceeds of the Project Notes that would result in the loss of the exemption of interest on the Project Notes from Federal income taxation under Section 103(b)(6)(D) of the Code, or (d) take any other action which would cause the loss of the exemption of interest on the Project Notes from Federal income taxation, nor shall the Company permit the occurrence of any of the foregoing matters set forth in this Section.

Section 6.12 Notice of Determination of Taxability. Promptly after the Company first becomes aware of any Determination of Taxability, the Company shall give written notice thereof to the Lender, Mortgage Servicer, the Trustee and the Original Purchaser.

End of Article VI

ARTICLE VII

ASSIGNMENT AND LEASING

Section 7.1 Assignment and Leasing by Company. This Agreement may not be assigned in whole or in part and the Project may be not leased in whole or in part by the Company, provided that individual units of the Project may be leased to qualified tenants.

Section 7.2 Mortgaging of Project by Company. The Company shall mortgage the Project, and shall assign its interest in and pledge any moneys receivable under this Agreement, to the Trustee as security for payment of the principal of and interest on the Project Notes.

Section 7.3 Assignment by the Lender. The Lender shall assign its rights under and interest in, and pledge the Pledged Receipts including, among other things, Loan Payments to the Trustee pursuant to the Indenture as security for payment of the principal of and interest and any premium on the Project Notes, and shall not make any further such assignment or pledge except as may be necessary or required to enforce or secure payment of principal of and interest and any premium on the Project Notes.

End of Article VII

ARTICLE VIII

TERMINATION AND PREPAYMENT

Section 8.1 Option to Terminate. The Company shall have the option to terminate this Agreement at any time after January 1, 1983 when (i) the FHA Note has been purchased by GNMA; (ii) the Indenture shall have been released pursuant to its provisions and (iii) sufficient moneys are on deposit with the Trustee, the Mortgage Servicer or the Lender, or any of them, to meet all Additional Payments due or to become due through the date on which the last of the Project Notes are then scheduled to be retired or redeemed, or, with respect to Additional Payments to become due, provisions satisfactory to the Trustee, the Mortgage Servicer and the Lender are made for paying such amounts as they come due. Such option shall be exercised by the Company giving the Lender, the Mortgage Servicer and Trustee notice of such termination and such termination shall thereupon become effective.

Section 8.2 Option to Prepay Loan Payments. The Company shall have, and is hereby granted the option to prepay the Loan Payments in full prior to the Termination Date and prior to the payment and discharge of all the outstanding Project Notes and coupons in accordance with the provisions of the FHA Note and the Indenture, if any of the following shall have occurred:

(a) The Project shall have been damaged or destroyed (i) to such extent that such Project cannot be reasonably restored within a period of six months to the condition thereof immediately preceding such damage or destruction, or (ii) to such extent that the Company is thereby prevented from carrying on normal operations in connection therewith for a period of six months.

(b) Title to, or the temporary use of, all or a substantial portion of the Project shall have been taken under the exercise of the power of eminent domain by any governmental authority, or person, firm or corporation acting under governmental authority, (i) to such extent that the Project cannot be reasonably restored within a period of six months to a condition of usefulness comparable to that existing prior to such taking, or (ii) such a taking results in the Company being thereby prevented from carrying on normal operations at the Project for a period of six months.

(c) If unreasonable burdens or excessive liabilities shall have been imposed upon the Lender or the Company with respect to the Project, including without limitation, the imposition of Federal, state or other ad valorem property, income or additional taxes other than ad valorem taxes presently levied upon privately owned property used for the same general purpose as the Project; provided, that the provisions of this subsection shall in no way affect the Company's obligation for the continued maintenance of the Projct prior to termination of this Agreement.

The mutual agreements contained in this Section are independent of, and constitute an agreement separate and distinct from, any and all provisions of this Agreement and shall be unaffected by any fact or circumstances which might impair or be alleged to impair the validity of any other provision.

Section 8.3 Obligation to Prepay Loan Payments. The Company shall be obligated to prepay Loan Payments in an amount equal to $7,775,800 prior to the expiration of this Agreement and prior to the full payment of the Project Notes (or prior to making provision for payment thereof in accordance with the Indenture), upon final endorsement of the FHA Note by FHA, delivery of the FHA Loan Documents to GNMA and receipt of payment therefor from GNMA. In the event that the FHA Loan Documents have not been purchased by GNMA on or before December 1, 1982, Loan Payments in the aforesaid amount shall be due and payable at such time, unless the Company pays extension fees in the amounts and in the manner stated in the Project Notes. The Company shall also be obligated to prepay the entire amount of the Loan if and when this Agreement shall have become void or unenforceable or impossible of performance in accordance with the intent and purpose of the parties as expressed in this Agreement by reason of any changes in the Constitution of the State or the Constitution of the United States of America or by reason of legislative or administrative action (whether state or Federal) or any final decree, judgment or order of any court or administrative body (whether state or Federal) entered after the contest thereof by the Lender or the Company in good faith to such extent that the FHA Note, the Supplemental Note and the obligations evidenced thereby are no longer enforceable by the holder thereof, or if and when interest on the Project Notes shall have become subject to Federal income tax because of a Determination of Taxability.

In such event, prepayment shall be made in the manner provided in Section 2.1 hereof, on the Loan Payment Date corresponding to the Note Redemption Date fixed in accordance

with the provisions of the Indenture in an amount sufficient to pay the principal of and interest and any premium on the Project Notes to such Note Redemption Date.

Section 8.4 Notice of Prepayment. In order to exercise an option granted in, or to consummate a prepayment required by, this Agreement, the Company shall give notice to the Lender (and the Trustee if all conditions provided in the Indenture for release thereof are not then met), and shall specify therein the date on which such prepayment is to be made, which date shall be not less than 30 days nor more than 90 days from the date such notice is mailed, and in case of a redemption of the Project Notes in accordance with the provisions of the Indenture the Company shall make arrangements satisfactory to the Trustee for the giving of the required notice of redemption, in which arrangements the Lender shall cooperate.

Section 8.5 Prepayment Price. In the case of prepayment of all Loan Payments pursuant to any provision of this Article, the prepayment price shall be the sum of the following:

(a) To the Trustee, an amount of money which, together with the moneys and investments deposited in, or to the credit of, the Project Note Fund, will be sufficient to pay or provide for the payment of all principal, interest and any premium such that all Project Notes then outstanding and coupons appertaining thereto will be deemed to be paid and discharged pursuant to the provisions of Sections 8.01 and 8.02 of the Indenture, plus

(b) to the Trustee or to the persons to whom Additional Payments are or will be due, an amount of money equal to the Additional Payments accrued and which will accrue until final maturity of the Notes or until the appropriate redemption date if the Notes are to be redeemed; provided that this portion of such prepayment price will be deemed paid if provisions acceptable to the Trustee and the Lender are made for paying such Additional Payments as they become due.

Section 8.6 Concurrent Discharge. In the event any of the Project Notes shall be paid and discharged pursuant to any provisions of this Agreement or the Indenture, so that such Project Notes are not thereafter outstanding within the meaning

of the Indenture, an equivalent principal amount (up to the full amount) of the corresponding Supplemental Note shall be deemed fully paid for purposes of this Agreement and to such extent the obligations of the Company thereunder terminated.

End of Article VIII

ARTICLE IX

EVENTS OF DEFAULT AND REMEDIES

Section 9.1 Events of Default. The following shall be "events of default" under this Agreement and the terms "event of default" or "default" shall mean, whenever they are used in this Agreement, any one or more of the following events:

(a) The occurrence of an event of default as defined in Section 6.01(a) or (b) of the Indenture, or failure to make any Loan Payments on or prior to the date on which payment is required to be made by Section 2.1 hereof.

(b) The occurrence of an event of default pursuant to the terms of any of the FHA Loan Documents, or pursuant to the regulations promulgated by FHA relating to projects to be insured pursuant to Section 221(d)(4) of the National Housing Act of 1934, as amended.

The provisions of paragraph (b) of this Section are subject to any notice or grace provisions permitted or required by the FHA Loan Documents.

Section 9.2 Remedies on Default. Whenever any event of default under Section 9.1 of this Agreement shall have happened and be subsisting, any one or more of the following remedial steps may be taken; provided that in no event shall the Lender be obligated to take any step which in its opinion will or might cause it to expend time or money or otherwise incur liability unless and until a satisfactory indemnity bond has been furnished to it:

(a) The Lender shall, at the written request or consent of the Trustee, if acceleration is declared pursuant to Section 6.02 of the Indenture, declare all Loan Payments and Additional Payments payable hereunder for the remainder of the term of this Agreement to be immediately due and payable, whereupon the same shall become immediately due and payable.

(b) In the event any of the Project Notes and coupons shall at the time be outstanding and not paid and discharged in accordance with the provisions of the Indenture, the Lender or the Trustee may have access to and inspect, examine and make copies of the books and records and any and all accounts, data and income

tax and other tax returns of the Company, only, however, insofar as they pertain to the Project or Project Site or any portion thereof, or to the Company's operations at the Project Site.

(c) The Lender may, without being required to give any notice (other than to the Trustee), except as provided herein, pursue all remedies of a creditor under the Indiana Code of 1971, as supplemented and amended, or any other applicable laws.

(d) The Lender or Trustee may take whatever action at law or in equity may appear necessary or desirable to collect the Loan Payments and Additional Payments then due and thereafter to become due, or to enforce performance and observance of any obligation, agreement or covenant of the Company under this Agreement.

(e) The Trustee shall, upon the occurrence of an event of default under any of the FHA Loan Documents, immediately give notice and assign the FHA Note and Mortgage to FHA in exchange for cash payment of insurance benefits pursuant to the terms of the FHA Loan Documents and Section 221(d)(4) of the National Housing Act of 1934, as amended.

Any amounts collected as Loan Payments or applicable to Loan Payments and any other amounts which would be applicable to payment of principal of and interest and any premium on the Notes collected pursuant to action taken under this Section shall be paid into the Project Note Fund and applied in accordance with the provisions of the Indenture or, if the outstanding Project Notes and coupons have been paid and discharged in accordance with the provisions of the Indenture, shall be paid as provided in Section 4.07 of the Indenture for transfers of remaining amounts in the Note Fund.

The provisions of this Section are subject to the further limitation that the rescission or annulment of a declaration that all the Project Notes outstanding under the Indenture are immediately due and payable shall also constitute rescission or annulment of any corresponding declaration made pursuant to paragraph (a) of this Section and a waiver and rescission of the consequences of such declaration and of the event of default with respect to which such declaration had been made, provided that no such waiver or rescission shall extend to or affect any subsequent or other default or impair any right consequent thereon.

Section 9.3 No Remedy Exclusive. No remedy conferred upon or reserved to the Lender or the Trustee by this Agreement is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Lender or the Trustee to exercise any remedy reserved to it in this Article, it shall not be necessary to give any notice, other than such notice as may be expressly required herein.

Section 9.4 Agreement to Pay Attorneys' Fees and Expenses. In the event the Company should default under any of the provisions of this Agreement and the Lender or the Trustee should employ attorneys or incur other expenses for the collection of Loan Payments or the enforcement of performance or observance of any obligation or agreement on the part of the Company contained in this Agreement or in or represented by the Note, the Company shall on demand therefor reimburse the reasonable fee of such attorneys and such other expenses so incurred.

Section 9.5 No Additional Waiver Implied by One Waiver. In the event any agreement contained in this Agreement should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

End of Article IX

ARTICLE X

MISCELLANEOUS

Section 10.1 Term of Agreement. This Agreement shall remain in full force and effect from the date hereof to and including the Termination Date, or until such time as all of the Notes shall have been fully paid (or provision made for such payment pursuant to the Indenture), whichever shall be later; provided, however, that this Agreement may be cancelled and terminated prior to said date if the Company shall prepay all of the Loan pursuant to Article VIII hereof.

Section 10.2 Amounts Remaining in Project Note Fund. Any amounts in the Project Note Fund remaining unclaimed by the holders of Project Notes or coupons for three years after the due date (whether at maturity or by redemption or pursuant to any mandatory sinking fund requirements or otherwise) thereof, shall be paid to the Company by the Trustee. With respect to the principal of and interest and any premium on the Project Notes to be paid from moneys paid to the Company pursuant to this Section the holders of the Project Notes or coupons entitled to such moneys shall look solely to the Company for the payment of such moneys.

Section 10.3 Notices. All notices, certificates, requests or other communications hereunder shall be sufficiently given and shall be deemed given when mailed by registered or certified mail, postage prepaid, addressed to the appropriate Notice Address. A duplicate copy of each notice, certificate, request or other communication given hereunder to the Lender, the Mortgage Servicer or the Company shall also be given to the Trustee. The Company, the Mortgage Servicer, the Lender and the Trustee may, by notice given hereunder, designate a different Notice Address for it than the one specified in Section 1.2 hereof.

Section 10.4 Binding Effect. This Agreement shall inure to the benefit of and shall be binding upon the Lender, the Company and their respective successors and assigns, subject, however, to the specific provisions hereof, and subject to the further limitation that any obligation of the Lender created by or arising out of this Agreement shall not be a general debt of the Lender or the State or any political subdivision or taxing district thereof, but shall be payable solely out of the Pledged Receipts, as provided herein.

Section 10.5 Amendments, Changes and Modifications. Except as otherwise provided in this Agreement or in the Indenture, subsequent to the issuance of the Project Notes and

prior to all conditions provided for in the Indenture for release of the Indenture having been met, this Agreement may not be effectively amended, changed, modified, altered or terminated without the prior written consent of the Trustee.

Section 10.6 Execution Counterparts. This Agreement may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute but one and the same Agreement.

Section 10.7 Severability. In case any clause, provision or section of this Agreement, or any covenant, stipulation, obligation, agreement, act, or action, or part thereof, made, assumed, entered into, or taken under this Agreement, or any application thereof, is for any reason held to be illegal, invalid or inoperable, such illegality, invalidity, or inoperability shall not affect the remainder thereof or any other clause, provision or section or any other covenant, stipulation, obligation, agreement, act or action or part thereof, made, assumed, entered into, or taken thereunder, which shall at the time be construed and enforced as if such illegal or invalid or inoperable portion were not contained therein, nor shall such illegality or invalidity or inoperability of any application thereof affect any legal and valid and operable application thereof, from time to time, and each such clause, provision or section, covenant, stipulation, obligation, agreement, act, or action, or part thereof shall be deemed to be effective, operative, made, entered into or taken in the manner and to the full extent from time to time permitted by law.

Section 10.8 Captions. The captions or headings in this Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Agreement.

Section 10.9 Governing Law. This Agreement shall be deemed to be a contract made under the laws of the State and for all purposes shall be governed by and construed in accordance with the laws of the State.

Section 10.10 FHA Documents and Regulations Control. To the extent that there is any inconsistency or ambiguity between or among this Agreement and any of the FHA Loan Documents or FHA regulations, the FHA Loan Documents and FHA regulations will be deemed to be controlling and any such ambiguity or inconsistency will be resolved in favor of, and pursuant to the terms of, the applicable FHA Loan Document or Documents or FHA regulations.

Section 10.11 Limited Recourse. Each of the undersigned makes no pledge and has no claim, and will not later assert any pledge or claim, against the mortgaged property, the mortgage proceeds, any reserve or deposit made with the mortgagee or another required by the Assistant Secretary - FHA Commissioner in connection with the mortgage transaction, or against the rents or other income from the mortgaged property for payment of any obligation of the Company contained herein other than such obligations which are also contained in the FHA Loan Documents.

End of Article X

IN WITNESS WHEREOF, the Lender and the Company have caused this Agreement to be executed in their respective names; the Lender by its duly authorized officers and the Company by each of its general partners, all as of the day and year first above written.

THE CITY OF FORT WAYNE, INDIANA

By _____
Mayor

(SEAL)
Attest: _____
Clerk

BRIGHTON MEADOWS

By: _____
Donald Hendrick

By: _____
Lewis Rothbard

The undersigned general partners of Brighton Meadows hereby acknowledge as personal obligations the covenants and representations stated herein in connection with the execution and delivery of the Supplemental Note or otherwise specifically stated herein as obligations of such general partners.

By _____
Donald Hendrick

By _____
Lewis Rothbard

EXHIBIT A

(Form of FHA Note)

EXHIBIT B

This Supplemental Promissory Note has not been registered under the Securities Act of 1933. Its transferability is restricted by the Trust Indenture and the Supplemental Loan Agreement referred to therein.

SUPPLEMENTAL PROMISSORY NOTE

$676,200 July __, 1980

FORT WAYNE, INDIANA

FOR VALUE RECEIVED, the undersigned individual general partners of BRIGHTON MEADOWS (hereinafter such individual general partners are collectively referred to as the "Borrower"), promise to pay to the order of (the "Lender") the principal sum of Six Hundred Seventy-six Thousand Two Hundred DOLLARS ($676,200), or such greater or lesser amount as may be required in order that the principal amount of this Note, when aggregated with the final principal amount of the FHA Note (as defined in the Indenture hereinafter referred to) shall equal the sum of $8,452,000, on January 1, 1983, and to pay interest on such amount at the rate of seven and nine-tenths per cent (7-9/10%) per annum, payments of interest being payable on the first day of each January and July, commencing January 1, 1981 and continuing until the principal amount hereof is paid in full.

All principal, interest and premium payments made hereunder shall be paid to (the "Trustee"), Trustee under the Trust Indenture of even date herewith between the Lender and such Trustee (the "Indenture"), at its corporate trust office in at least one business day prior to the date they are due and payable, whether at maturity or by acceleration, for deposit in the Note Fund as defined in the Indenture for the account of the Lender. Any payment not so received by the Trustee when due shall continue as an obligation of the Borrower until that amount is paid and shall bear interest at a rate one percent in excess of the prime rate then charged by the Trustee to its prime commercial borrowers in its lending capacity as a bank, provided that such rate borne by such amount in default shall not be less than the rate of interest ordinarily payable on this Supplemental Note. All payments or prepayments of principal hereof shall be endorsed by the Trustee hereon.

In any event, the sum of the principal and interest and any premium payments payable pursuant to this Note shall be sufficient, when combined with the payments of principal,

premium, if any, and interest on the FHA Note, to pay the total amount due with respect to principal and interest and any premium on $8,452,000 Economic Development Revenue Notes (Brighton Meadows Project) (the "Notes") secured by the Indenture as and when due (whether at maturity or pursuant to any mandatory sinking fund provision of the Indenture), and if at any time when said payments are due the balance in the Note Fund (as defined in the Indenture) is insufficient to make such payments the Borrower will forthwith pay to the Trustee, for the account of the Lender, for deposit into the Note Fund, any such deficiency; provided, that the Borrower shall be entitled to the credit described in the last paragraph of Section 2.1 of the Supplemental Loan Agreement hereinafter mentioned, and provided further, that if at any time all principal and interest and any premium payments on the Notes have been paid within the meaning of the Indenture, the Borrower shall not be obligated to make any further principal or interest or premium payments hereunder and the Trustee shall surrender this Supplemental Note to the Borrower for cancellation.

This Supplemental Note is one of the Notes referred to in, is executed and delivered by each of the undersigned pursuant to, and is entitled to the benefits of, the Supplemental Loan Agreement of even date herewith between the Lender and the Borrower, which Supplemental Loan Agreement contains among other things, provisions for optional and mandatory acceleration of the maturity hereof upon the happening of certain stated events, and for prepayment in full of the principal hereof prior to the maturity hereof upon the terms and conditions therein specified.

This Supplemental Note shall be on a parity with any other Note or Notes hereafter executed and delivered by the Borrower pursuant to the aforesaid Supplemental Loan Agreement.

This Supplemental Note evidences the Borrower's obligation to repay a portion of the Loan, as defined in the Supplemental Loan Agreement, with interest and premium (if any), and is executed and delivered to partially secure payment of such Loan.

Each of the undersigned hereby certifies that the undersigned makes no pledge and has no claim, and will not later assert any pledge or claim, against the mortgaged property, the mortgage proceeds, any reserve or deposit made with the mortgagee or another required by the Assistant Secretary - FHA Commissioner in connection with the mortgage transaction, or against the rents or other income from the mortgaged property for payment of any part of the Supplemental

Promissory Note. Notwithstanding the foregoing, all assets of each of the undersigned other than assets of the kind hereinabove described, are pledged to the repayment of this Supplemental Promissory Note.

By _____
Donald Hendrick

By _____
Lewis Rothbard